

# 2025

## INTERIM REPORT

# 中期報告

TapTap

发现好游戏

正在安装 26%

DEADLINE!

XD Inc. 心动有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 2400



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# 01

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## CORPORATE INFORMATION



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Mr. Huang Yimeng (*Chairman and Chief Executive Officer*)  
Mr. Dai Yunjie  
Mr. Fan Shuyang

### Non-executive Director

Mr. Wu Meng

### Independent Non-executive Directors

Mr. Pei Dapeng  
Mr. Xin Quandong  
Ms. Liu Qianli

## AUDIT COMMITTEE

Mr. Xin Quandong (*Chairman*)  
Mr. Pei Dapeng  
Ms. Liu Qianli

## REMUNERATION AND APPRAISAL COMMITTEE

Ms. Liu Qianli (*Chairwoman*)  
Mr. Dai Yunjie  
Mr. Xin Quandong

## NOMINATION COMMITTEE

Mr. Pei Dapeng (*Chairman*)  
Mr. Huang Yimeng  
Ms. Liu Qianli

## STRATEGY AND DEVELOPMENT COMMITTEE

Mr. Huang Yimeng (*Chairman*)  
Mr. Dai Yunjie  
Mr. Wu Meng  
Mr. Pei Dapeng

## JOINT COMPANY SECRETARIES

Mr. Fan Shuyang  
Mr. Chung Ming Fai

## AUTHORIZED REPRESENTATIVES

Mr. Fan Shuyang  
Mr. Chung Ming Fai

## AUDITOR

PricewaterhouseCoopers  
(Public Interest Entity Auditors registered in accordance with  
the Accounting and Financial Reporting Council Ordinance)  
22/F, Prince's Building  
Central  
Hong Kong

## REGISTERED OFFICE

Campbells Corporate Services Limited  
Floor 4, Willow House, Cricket Square  
Grand Cayman KY1-9010  
Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Unit A2, No. 700  
Wanrong Road  
Shanghai  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40/F., Dah Sing Financial Centre  
248 Queen's Road East  
Wanchai  
Hong Kong

## PRINCIPAL SHARE REGISTRAR

Campbells Corporate Services Limited  
Floor 4, Willow House, Cricket Square  
Grand Cayman KY1-9010  
Cayman Islands

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

## HONG KONG LEGAL ADVISER

Linklaters  
11th Floor, Alexandra House  
Chater Road  
Central, Hong Kong

## PRINCIPAL BANKS

China Merchants Bank (Shanghai Branch, Daning Sub-branch)  
China CITIC Bank (Shanghai Branch, Daning Sub-branch)

## WEBSITE

2400.hk

## STOCK CODE

2400

# 02

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## HIGHLIGHTS



# HIGHLIGHTS

## FINANCIAL HIGHLIGHTS

	For the six months ended June 30,		
	2025	2024	Change
	(RMB'000)	(RMB'000)	%
	(Unaudited)	(Unaudited)	
Revenue	<b>3,081,986</b>	2,220,567	38.8
Gross profit	<b>2,252,758</b>	1,496,811	50.5
Profit for the period	<b>810,596</b>	250,579	223.5
Profit attributable to equity holders of the Company	<b>754,856</b>	205,102	268.0
Adjusted profit for the period*	<b>852,855</b>	278,811	205.9
Adjusted profit attributable to equity holders of the Company*	<b>795,650</b>	237,290	235.3

\* To supplement our consolidated financial statement which are presented in accordance with IFRS Accounting Standards, we also use adjusted profit for the period and adjusted profit attributable to equity holders of the Company as an additional financial measure to evaluate our financial performance by eliminating the impact of fair value changes on long-term investments measured at fair value through profit or loss, and share-based compensation expenses. See "Non-IFRS Accounting Standards Measures" for details.

## KEY OPERATING INFORMATION

	For the six months ended June 30,		
	2025	2024	Change
	(in thousands)	(in thousands)	%
<b>Online Games</b>			
Average MAUs <sup>(1)</sup>	<b>11,409</b>	9,534	19.7
Average MPUs <sup>(2)</sup>	<b>1,322</b>	1,092	21.1
<b>TapTap</b>			
Average App MAUs in TapTap PRC	<b>43,625</b>	43,242	0.9
Average App MAUs in TapTap International	<b>5,020</b>	5,066	-0.9

- (1) Our average MAUs for online games are calculated by dividing the aggregate of the total MAUs of each online game for the respective period by the number of months of that period.
- (2) Our average MPUs for online games are calculated by dividing the aggregate of the total MPUs of each online game for the respective period by the number of months of that period.

# 03

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## MANAGEMENT DISCUSSION AND ANALYSIS



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW AND OUTLOOK

In the first half of 2025, our business continued to grow, with significant period-over-period increases in both revenue and operating profit. In our game segment, Ragnarok M: Classic (仙境傳說M：初心服), Heartopia (心動小鎮), and Torchlight: Infinite (火炬之光：無限) have performed well and contributed to a 39.4% period-over-period growth in our game segment revenue. Among which Heartopia (心動小鎮), and Torchlight: Infinite (火炬之光：無限) both have the potential to become evergreen games. We plan to continue investing in their development and supporting them in attracting an expanding player base. In our platform segment, improvements to advertising algorithms and enhancements in user engagement led to a 37.6% period-over-period increase in the revenue of TapTap. In order to align with the industry trend of cross-platform compatibility for large-scale games, we have launched the PC version of TapTap, which coordinates with the App version to deliver more convenient services for both players and developers.

The following is an overview of our major products and services:

### Our Games

As of June 30, 2025, our portfolio consisted of 23 online games and 39 premium games.

#### Online Games

In the first half of 2025, the average MAUs of our online games increased by 19.7% period-over-period, while the average MPUs increased by 21.1% period-over-period. This growth was primarily attributable to an increase in the number of users for the newly launched game, namely Heartopia (心動小鎮), which attracted new users. Such increase was partially offset by a decline in number of users of Sausage Man (香腸派對) as compared with the first half of 2024. For the six months ended June 30, 2025, GoGo Muffin (出發吧麥芬), Heartopia (心動小鎮), Ragnarok M (仙境傳說M), Torchlight: Infinite (火炬之光：無限), and Sausage Man (香腸派對) were our top five games in terms of their revenue contribution. An overview of our major games at present is as follows:

- **GoGo Muffin (出發吧麥芬):** This self-developed idle mobile game was launched in Hong Kong, Macau and Taiwan in January 2024, launched in Mainland China in May 2024, launched in the Korean market in September 2024, launched in various overseas countries and regions in December 2024, and launched in Japanese market in February 2025. With a fresh and delightful artwork, coupled with a gameplay that allows for social interaction and strategic planning, the game went viral after its launch and achieved outstanding results. Currently, the game has completed its launch in major markets worldwide, and is entering its maturity stage.



- **Heartopia (心動小鎮)**: This self-developed life simulation game was launched in July 2024 in Mainland China and was enthusiastically received by players, topping the App Store's game download rankings multiple times. The development team for the game has been expanded in the first half of 2025, and it has launched certain updates that were well received by players. In the future, we plan to launch the game in overseas markets.
- **Ragnarok M (仙境傳說M)**: This co-developed MMORPG was launched in Mainland China in January 2017, and was subsequently released in various countries and regions worldwide. The game is currently at its maturity stage. Ragnarok M: Classic, a special version of Ragnarok M, was released and launched in Mainland China in April 2024, launched in the Southeast Asia market in February 2025, and launched in the Hong Kong, Macau and Taiwan markets in April 2025. Since the launch, this special version of the game has performed well and gained popularity among players. We plan to launch Ragnarok M: Classic in other overseas markets in the second half of 2025.
- **Torchlight: Infinite (火炬之光：無限)**: This self-developed Diablo-like loot-based ARPG was launched in overseas markets outside of China in October 2022 and launched in Mainland China in May 2023. Through several successful seasonal updates, the game has gained continuous recognition among players, and expanded the player community. In the future, we hope the game will continue to attract more gamers through more attractive seasonal updates.
- **Sausage Man (香腸派對)**: This licensed shooting game was launched in Mainland China in April 2018 and has been over 7 years since it was released. In the first half of 2025, the MAUs and MPUs of the game declined as compared to the corresponding period last year. Nonetheless, as a battle arena game, we believe that the game still maintains a large number of players in the Chinese market and has the potential to return to growth. Accordingly, we will continue to enhance the development and operation plans for the game in 2025, with the aim of improving its performance.

### Games in Development

We regard our self-developed games as one of the cornerstones of our growth, and we have continuously invested in research and development of games. As at June 30, 2025, we had 745 employees engaged in game development, representing an increase of 21 employees from December 31, 2024. Since 2024, our game research and development business has experienced stable growth, driven by the release and the success of several self-developed games as well as the initiation of new projects. As of June 30, 2025, we had one online game in development. Furthermore, we have several new games in the pre-development stage, which may advance in the future depending on project progress.

## Premium Games

Premium games constitute our special business component that meets the demand of mobile game users for high quality, pay-to-play games and adds ecological diversity to the TapTap platform. In the first half of 2025, the revenue from premium games increased by 14.2% as compared to the corresponding period last year. The mobile games Hero's Adventure (大俠立志傳) and Totally Accurate Battle Simulator (全面憨憨戰爭模擬器) have driven the overall performance. The addition of new games created a word-of-mouth effect on the TapTap platform, boosting the recognition of downloading premium games among users. We are committed to producing high-quality games across multiple platforms in the premium game field. Leveraging our experience in publishing pay-to-play PC games, we plan to increase our investment in the TapTap PC platform to enrich the platform ecosystem. The upcoming release of the mobile and PC versions of Volcano Princess (火山的女兒) in the second half of the year, along with the dual-platform version of Dave the Diver (潛水員戴夫) which is currently in development, are expected to further strengthen the Company's influence in our premium game business market.

## TapTap

TapTap is our key competitiveness and one of the cornerstones of our growth. We rely on game development and publishing to provide TapTap with high-quality exclusive content, which drives TapTap's user growth. In the meantime, TapTap's own product and operation advantages will help retain users and generate revenue, which will then feed the content creation of both first-party and third-party developers through TapTap and in turn generate more quality content and continue to drive the further growth of TapTap.

### TapTap PRC

For the six months ended June 30, 2025, the average App MAUs of TapTap PRC was 43.6 million, representing an increase of 0.9% on a period-over-period basis. While the MAU remained broadly stable, user engagement lifted up as compared to the corresponding period last year. Meanwhile, we have improved the effectiveness of advertising on the platform by upgrading the basic model of our advertising system, driving continued growth in the revenue of TapTap.

In the first half of 2025, we promoted more games to integrate TapSDK and ecosystem services, enabling accounts-game-data linkage and circulation. We fed back the data accumulated by users to the community, driving the community to generate differentiated content. Currently, we have integrated an AI-powered assistant module into TapTap and are exploring AI-driven interactive game recommendations, with the aim of providing the most relevant and practical game information to gamers.

In April 2025, we officially released the PC version of TapTap, which allows users to download and launch PC games. We aim to align with the current industry trend of cross-platform compatibility for large-scale games, leveraging the coordination between the mobile and PC versions of TapTap to better serve both players and developers. In July 2025, we officially launched TapTap Mini Games. In the second and third quarters of 2025, we hosted the Annual TapTap Presents, the TapTap Developers Workshops (TDW 2025), and a series of "Spotlight Game Jam" game development competitions, which received positive feedbacks from both players and developers.

## TapTap International

For the six months ended June 30, 2025, the average App MAUs of TapTap International was 5.0 million, representing a decrease of 0.9% on a period-over-period basis. Our international team is currently exploring opportunities for long-term growth with limited resource allocation.

## FINANCIAL REVIEW

### Revenue

Our revenue is mainly derived from (i) games, the principal operating business where we generate revenue primarily from sales of in-game virtual items in online games and sales of premium games through third-party and our proprietary distribution platforms; and (ii) TapTap platform, where we generate revenue primarily from providing online marketing services on TapTap. The following table sets forth our revenue by line of business for the six months ended June 30, 2025 and 2024.

	For the six months ended June 30,			
	2025		2024	
	Amount	% of revenue	Amount	% of revenue
(Unaudited)	(RMB in thousands, except for percentages)			
<b>Games</b>	<b>2,071,260</b>	<b>67.2</b>	1,486,257	66.9
Game operating	<b>2,045,113</b>	<b>66.4</b>	1,481,074	66.7
Online games	<b>1,982,085</b>	<b>64.4</b>	1,425,896	64.2
Premium games	<b>63,028</b>	<b>2.0</b>	55,178	2.5
Others	<b>26,147</b>	<b>0.8</b>	5,183	0.2
<b>TapTap platform</b>	<b>1,010,726</b>	<b>32.8</b>	734,310	33.1
<b>Total revenue</b>	<b>3,081,986</b>	<b>100.0</b>	2,220,567	100.0

## Games

Our revenue from game business increased by 39.4% to RMB2,071.3 million for the six months ended June 30, 2025 on a period-over-period basis. In particular,

- Our revenue from online games increased by 39.0% to RMB1,982.1 million for the six months ended June 30, 2025 on a period-over-period basis, primarily due to (i) the increase in revenue from self-developed games Ragnarok M: Classic (仙境傳說M：初心服), Heartopia (心動小鎮) and Torchlight: Infinite (火炬之光：無限), and (ii) partially offset by the decrease in revenue from certain existing games; and
- Our revenue from premium games increased by 14.2% to RMB63.0 million for the six months ended June 30, 2025 on a period-over-period basis, primarily due to an increase in revenue from Hero's Adventure (大俠立志傳) and other newly launched premium games, and partially offset by certain existing premium games.

The following table sets forth a breakdown of our game operating revenue by revenue recognition method for the six months ended June 30, 2025 and 2024.

	For the six months ended June 30,			
	2025		2024	
	Amount	%	Amount	%
(Unaudited)	(RMB in thousands, except for percentages)			
Revenue recognized on a gross basis	1,760,461	86.1	1,413,438	95.4
Revenue recognized on a net basis	284,652	13.9	67,636	4.6
<b>Total game operating revenue</b>	<b>2,045,113</b>	<b>100.0</b>	1,481,074	100.0

Our game operating revenue recognized on a gross basis increased by 24.6% to RMB1,760.5 million for the six months ended June 30, 2025 on a period-over-period basis, primarily due to the increase in revenue from Heartopia (心動小鎮) and Torchlight: Infinite (火炬之光：無限), and partially offset by the decrease in revenue from certain existing games. Our game operating revenue recognized on a net basis increased by 320.9% to RMB284.7 million for the six months ended June 30, 2025 on a period-over-period basis, primarily due to the robust performance of Ragnarok M: Classic (仙境傳說M：初心服) in overseas markets.

## TapTap platform

Our revenue from TapTap platform business increased by 37.6% to RMB1,010.7 million for the six months ended June 30, 2025 on a period-over-period basis. This increase in revenue is mainly attributable to the refinement of our advertising algorithms and uplift in user engagement.

We have yet monetized TapTap International.

## Cost of Revenues

Our cost of revenues increased by 14.6% to RMB829.2 million for the six months ended June 30, 2025 on a period-over-period basis. The following table sets forth our cost of revenues by line of business for the six months ended June 30, 2025 and 2024.

	For the six months ended June 30,			
	2025		2024	
	Amount	% of segment revenue	Amount	% of segment revenue
(Unaudited)	(RMB in thousands, except for percentages)			
Games	663,812	32.0	595,409	40.1
TapTap platform	165,416	16.4	128,347	17.5
<b>Total</b>	<b>829,228</b>	<b>26.9</b>	723,756	32.6

Our cost of revenues for game business primarily consists of commissions charged by distribution platforms and payment channels where we act as a principal, sharing of proceeds to game developers, bandwidth and servers custody fee and employee benefits expenses. Our cost of revenues for TapTap platform business primarily consists of bandwidth and servers custody fee and employee benefits expenses.

Our cost of revenues for game business increased by 11.5% to RMB663.8 million for the six months ended June 30, 2025 on a period-over-period basis, primarily attributable to (i) the increase in commissions charged by payment channels and distribution channels, which were mainly due to the increase in revenue generated from Heartopia (心動小鎮) and Torchlight: Infinite (火炬之光：無限); and (ii) partially offset by the decrease in sharing of proceeds to game developers, which were mainly due to the decreases in revenue from Sausage Man (香腸派對), Ulala (不休的烏拉拉) and other licensed games.



Our cost of revenues for TapTap platform business increased by 28.9% to RMB165.4 million for the six months ended June 30, 2025 on a period-over-period basis, primarily attributable to the increase in bandwidth and servers custody fee, which was in relating to our advertising algorithms system.

### **Gross Profit and Gross Margin**

As a result of the foregoing, our gross profit increased by 50.5% to RMB2,252.8 million for the six months ended June 30, 2025 on a period-over-period basis. Our gross margin was 73.1% for the six months ended June 30, 2025, which was higher than the gross margin for the six months ended June 30, 2024, primarily due to (i) the improvement in the gross margin of game segment from 59.9% for the six months ended June 30, 2024 to 68.0% in the corresponding period of 2025, as a result of the increase in the contribution from game operating revenue recognized on a net basis to total game operating revenue from 4.6% in the six months ended June 30, 2024 to 13.9% in the corresponding period of 2025, mainly attributable to the robust performance of Ragnarok M: Classic (仙境傳說M：初心服) in overseas markets; and (ii) an improvement in gross margin of TapTap platform segment from 82.5% for the six months ended June 30, 2024 to 83.6% in the corresponding period of 2025. This improvement in gross margin was partially offset by the decrease in the contribution of revenue from our TapTap platform to our total revenue from 33.1% for the six months ended June 30, 2024 to 32.8% for the six months ended June 30, 2025, which generally enjoyed a higher gross margin than our game business.

### **Selling and Marketing Expenses**

Our selling and marketing expenses primarily consist of (i) promotion and advertising expenses paid to external advertising agencies and professional information dissemination companies; and (ii) employee benefit expenses relating to our selling and marketing personnel.

Our selling and marketing expenses increased by 7.0% to RMB743.9 million for the six months ended June 30, 2025 on a period-over-period basis. This was primarily attributable to (i) the increase in performance-based compensation relating to our selling and marketing personnel; and (ii) the increase in professional and technical services fee.

### **Research and Development Expenses**

Our research and development expenses primarily consist of (i) employee benefits expenses relating to our research and development employees; and (ii) professional and technical services fees including art design and technical support for our games.

Our research and development expenses increased by 30.8% to RMB548.9 million for the six months ended June 30, 2025 on a period-over-period basis. This was primarily due to (i) the increase in performance-based compensation relating to our research and development personnel; and (ii) the increase in professional and technical services fee. The number of our research and development personnel increased from 997 as at June 30, 2024 to 1,033 as at June 30, 2025.

### **General and Administrative Expenses**

Our general and administrative expenses primarily consist of (i) employee benefits expenses relating to our administrative employees; (ii) professional and technical services fees, such as fees paid to audit and law firms; (iii) office expenses incurred in the ordinary course of business; and (iv) depreciation of property, plant and equipment and right-of-use assets in connection with our office space in Shanghai.

Our general and administrative expenses decreased by 8.9% to RMB126.0 million for the six months ended June 30, 2025 on a period-over-period basis. This was primarily due to (i) the decrease in share-based compensation expenses, and (ii) partially offset by the increase in performance-based compensation relating to our general and administrative personnel.

### **Other Gains, Net**

Our other gains, net primarily consist of net foreign exchange gains and net gain on repurchase of convertible bonds.

Our foreign exchange net gains were RMB9.9 million for the six month ended June 30, 2025, compared to foreign exchange net gains of RMB11.8 million for the corresponding period of 2024. We did not record any gain on repurchase of convertible bonds for the six month ended June 30, 2025, compared to a net gain on repurchase of convertible bonds of RMB5.0 million for the corresponding period of 2024.

### **Income Tax Expenses**

We recorded income tax expenses of RMB70.1 million for the six months ended June 30, 2025, compared to income tax expenses of RMB31.5 million for the corresponding period in 2024. Among which, we recorded a current income tax expense of RMB67.8 million and a deferred income tax expense of RMB2.3 million in relation to the deferred tax assets we recognized in previous years.

### **Profit for the Period**

Our profit for the period was RMB810.6 million for the six months ended June 30, 2025, comparing a profit of RMB250.6 million for the six months ended June 30, 2024.

## Profit for the Period Attributable to Equity Holders of the Company

Our profit for the period attributable to equity holders of the Company was RMB754.9 million for the six months ended June 30, 2025, in contrast to a profit for the period attributable to equity holders of the Company of RMB205.1 million for the corresponding period of 2024.

Our profit for the period attributable to non-controlling interests primarily belonged to non-controlling interests in (i) Yiwan (Shanghai) Network Science and Technology Co., Ltd.; and (ii) Taptap Holding Limited.

## Other Financial Information

The following table reconciles our operating profit to our EBITDA and adjusted EBITDA for the periods presented:

	For the six months ended June 30,	
	2025 (RMB'000) (Unaudited)	2024 (RMB'000) (Unaudited)
<b>Operating profit</b>	<b>861,361</b>	270,513
<b>Adjustments</b>		
Other income	<b>(17,187)</b>	(5,440)
Other gains, net	<b>(13,603)</b>	(20,523)
Depreciation of property, plant and equipment and right-of-use assets	<b>26,098</b>	32,625
Amortization of intangible assets	<b>18,053</b>	13,847
<b>EBITDA</b>	<b>874,722</b>	291,022
Share-based compensation expenses	<b>42,259</b>	28,232
<b>Adjusted EBITDA</b>	<b>916,981</b>	319,254

## Non-IFRS Accounting Standards Measures

To supplement our consolidated financial information which is presented in accordance with IFRS Accounting Standards, we set forth below our adjusted profit for the period and adjusted profit attributable to equity holders of the Company as an additional financial measure which is not presented in accordance with IFRS Accounting Standards. We believe those non-IFRS Accounting Standards financial measures provide investors with useful supplementary information to assess the performance of the Group's core operations by excluding certain items, namely (i) fair value changes on long-term investments measured at fair value through profit or loss; and (ii) share-based compensation expenses. The following table reconciles our adjusted profit for the period and adjusted profit attributable to equity holders of the Company indicated to the most directly comparable financial measure calculated and presented in accordance with IFRS Accounting Standards:

	For the six months ended June 30,	
	2025	2024
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
<b>Profit for the period</b>	<b>810,596</b>	250,579
Add:		
Fair value changes on long-term investments measured at fair value through profit or loss	—	—
Share-based compensation expenses	<b>42,259</b>	28,232
Less:		
Income tax effects	—	—
<b>Adjusted profit for the period</b>	<b>852,855</b>	278,811

For the six months ended June 30,		
	2025	2024
	(RMB'000)	(RMB'000)
	(Unaudited)	(Unaudited)
<b>Profit attributable to equity holders of the Company</b>	<b>754,856</b>	205,102
Add:		
Fair value changes on long-term investments measured at fair value through profit or loss	—	—
Share-based compensation expenses	<b>40,794</b>	32,188
Less:		
Income tax effects	—	—
<b>Adjusted profit attributable to equity holders of the Company</b>	<b>795,650</b>	237,290

These unaudited non-IFRS Accounting Standards financial measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with IFRS Accounting Standards. In addition, these non-IFRS Accounting Standards financial measures may be defined differently from similar terms used by other companies.

## Liquidity and Capital Resources

Our cash positions and short-term investments as at June 30, 2025 and December 31, 2024 are as follows:

	As at June 30, 2025 (RMB'000) (Unaudited)	As at December 31, 2024 (RMB'000) (Audited)
Cash and cash equivalents	<b>2,971,628</b>	2,781,173
Short-term investments		
— Term deposits with initial terms over three months	—	50,000
— Wealth management products	<b>210,848</b>	78,984
	<b>3,182,476</b>	2,910,157



As at June 30, 2025, our short-term investments mainly consisted of wealth management products issued by large reputable commercial banks. These wealth management products invest principally in low-risk and liquid fixed-income instruments that are quoted on the interbank market or exchanges in China. The returns of such wealth management products are not guaranteed or protected by the issuing banks.

The increase of our cash positions and short-term investments was primarily due to the net cash flows generated from operating activities of RMB637.5 million for the six months ended June 30, 2025, and partially offset by cash payments for (i) acquisition of additional interests in subsidiaries with non-controlling interests of RMB135.5 million; (ii) dividend paid to shareholders of RMB178.1 million; and (iii) repurchase of shares of RMB59.1 million.

As of June 30, 2025, we did not have any borrowings or unutilized banking facilities.

### **Gearing Ratio**

Our gearing ratio was 28.9% as at June 30, 2025, comparing a gearing ratio of 30.8% as at December 31, 2024. This gearing ratio was calculated as total liabilities divided by total assets.

### **Significant Investments Held, Material Acquisitions and Disposals**

Save as disclosed in this report, neither the Group held any significant investments, nor was there any material acquisition and disposal of subsidiaries, associated companies and joint ventures for the six months ended June 30, 2025.

### **Pledge of Assets**

As of June 30, 2025, we did not pledge any of our assets.

### **Future Plans for Material Investments or Capital Assets**

As of June 30, 2025, we did not have any future plans for material investments and capital assets.

### **Foreign Exchange Risk Management**

We generate revenue from overseas markets in relation to our international business, and therefore, we are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollars and Hong Kong dollars. We also pay licensing fees for foreign game developers and intellectual property providers, which are primarily in US dollars. We currently do not adopt any long-term contracts, currency borrowings or other means to hedge our foreign currency exposure.

### **Contingent Liabilities**

As of June 30, 2025, we did not have any material contingent liabilities.

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## OTHER INFORMATION



## OTHER INFORMATION

### **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

During the Reporting Period, save for the Shares purchased by the Trustee for the purpose of the 2024 RSU Scheme as further described in the sub-section headed “The 2024 RSU Scheme”, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities (including sale or transfer of treasury shares as defined under the Listing Rules) of the Company during the six months ended June 30, 2025.

As at June 30, 2025, the Company did not hold any treasury shares for the purpose of the Listing Rules.

### **INTERIM DIVIDEND**

The Board has resolved not to declare any interim dividend for the six months ended June 30, 2025.

## USE OF PROCEEDS

### Placing of shares in April 2021

The net proceeds received from the placing of shares was approximately HK\$1,113.0 million. The amount of net proceeds brought forward as of January 1, 2025 was HK\$67.0 million. All the net proceeds were fully utilized as of June 30, 2025. The table below sets out the details of actual usage of the net proceeds as of June 30, 2025:

Use of proceeds	Amount of net proceeds received from the placing of shares (HK\$ million)	Amount of net proceeds brought forward as of January 1, 2025 (HK\$ million)	Actual usage for the six months ended June 30, 2025 (HK\$ million)	Unutilized net proceeds as of June 30, 2025 (HK\$ million)	Expected timeline of full utilization
• further enhancing the Company's R&D capability and game portfolios	556.5	—	—	—	—
• potential acquisition and strategic investments	222.6	67.0	67.0	0	N/A
• general corporate purposes	333.9	—	—	—	—
	1,113.0	67.0	67.0	0	

## NO MATERIAL CHANGES

Save as disclosed in this report, during the Reporting Period, there were no material changes affecting the Group's performance that needs to be disclosed under Paragraphs 32 and 40(2) of Appendix D2 to the Listing Rules.

## EVENT AFTER THE REPORTING PERIOD

### 1. Grant of Share Options

On July 9, 2025, a total of 152,020 share options (the “Options”) were granted by the Company under the Share Option Plan to certain eligible participants, including 122,500 Options granted to Mr. Huang Yimeng, an executive Director. For details, please refer to the announcement of the Company dated July 9, 2025.

### 2. Exercise of Share Options

Subsequent to the Reporting Period and up to the Latest Practicable Date, 1,508,415 Options were exercised by certain eligible participants to subscribe for 1,508,415 ordinary shares of the Company.

### 3. Purchase of Series B1 Preferred Shares in MiAO (Cayman) Limited

On August 4, 2025, XD (HK) Limited (an indirect wholly-owned subsidiary of the Company), among other parties, entered into the Share Purchase Agreement with the Target Company, pursuant to which the Purchaser has conditionally agreed to subscribe for and purchase, and the Target Company has conditionally agreed to allot and issue, 7,086,420 Series B1 Preferred Shares, which represents approximately 5.30% of the issued share capital in the Target Company immediately after the Closing, on a fully-diluted and as-converted basis, for a consideration of US\$14,000,000. Upon the completion of the Purchase, the Purchaser will hold 5.30% equity interest in the Target Company and the Target Company will not become a subsidiary of the Company.

For details, please refer to the announcement of the Company dated August 4, 2025.

Save as disclosed above, there are no other material events after the reporting period undertaken by the Group after June 30, 2025 and up to the date of this report.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to implementing high standards of corporate governance to safeguard the interests of the shareholders of the Company and enhance the corporate value as well as the responsibility commitments. The Company has adopted the CG Code as its own code of corporate governance.

The Company has complied with all applicable code provisions of the CG Code during the six months ended June 30, 2025 except for a deviation from code provision C.2.1 of part 2 of the CG Code, which provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Huang Yimeng is currently the chairman and chief executive officer of the Company.

In view of his substantial contribution to the Group since its establishment and his extensive experience in the game industry, the Board considers that vesting the roles of chairman and chief executive officer in the same individual provides the Group with strong and consistent leadership in the development and execution of long-term business strategies and does not impair the balance of power and authority between the Board and the management of the Company. The Board currently comprises three executive Directors (including Mr. Huang Yimeng), one non-executive Director and three independent non-executive Directors and therefore has a fairly strong independence element in its composition.

The Board will continue to review the effectiveness of the corporate governance structure in order to assess whether separation of the roles of chairman and chief executive officer is necessary.



## COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code for dealing in securities in the Company by the Directors. The Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code during the six months ended June 30, 2025.

## COMPLIANCE WITH LAWS AND REGULATIONS

Our Group has adopted internal control and risk management policies to monitor the on-going compliance with relevant laws and regulations. As far as the Board is concerned, our Group has complied with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries in all aspects.

As of the date of this report, we have implemented and completed system upgrading works in respect of the anti-addiction systems for our online games and premium games operated in Mainland China in accordance with the Notice on Preventing Minors from Indulging in Online Games (《關於防止未成年人沉迷網絡遊戲的通知》) issued by National Administration of Press and Publication (國家新聞出版總署). We will then engage an external independent IT consultant to review and test the effectiveness of our upgraded systems and will promptly consult with our PRC legal advisers as and when required.

## CHANGES IN INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE

As at the date of this interim report, there is no change in the information of the Directors or chief executive of the Company which are disclosed or required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

## REVIEW OF THE ACCOUNTS BY THE AUDIT COMMITTEE

The Company has established an Audit Committee in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision D.3 of part 2 of the CG Code, and has adopted written terms of reference. The Audit Committee comprises three members, including Mr. Xin Quandong, Mr. Pei Dapeng and Ms. Liu Qianli. The Audit Committee is currently chaired by Mr. Xin Quandong, who possesses suitable professional qualifications.

The Audit Committee, together with the Auditor, has reviewed the Group's unaudited interim condensed consolidated financial statements for the six months ended June 30, 2025 with no disagreement. The Audit Committee has also reviewed the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters.

## EMPLOYEES, REMUNERATION AND PENSION SCHEME

We had 1,464 employees as of June 30, 2025, substantially all of which were based in Shanghai. The remuneration of employees during the six months ended June 30, 2025 is set out in note 7 to the interim financial information.

We offer our employees competitive compensation packages and a collaborative working environment and as a result, we have generally been able to attract and retain qualified personnel and maintain a stable, core management team. We compensate our employees with basic salaries, subsidies, and performance-based and annual bonuses, and pay, on behalf of our employees, monthly social insurance premiums covering basic pension insurance, basic medical insurance, unemployment insurance, employment injury insurance maternity insurance and housing reserve fund. We also have a Share Option Plan, the RSU Scheme and the 2024 RSU Scheme for the purpose of providing incentives and rewards to the participants for their contributions to the Group.

We design and implement in-house training programs tailored to each job function and a set of responsibilities to enhance performance. Specific training is provided during orientation for new employees to familiarize them with our working environment and operational procedures. We also provide professional on-the-job training to our existing employees on various topics such as channel management, marketing and promotion strategies, product operations and operational support. We believe our training offers employees sustainable, organized and target-oriented quality training, and which can enhance the productivity of our employees.

As disclosed in 2024 annual report, the Group has established an adequate remuneration and incentive system. The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. Further, the Group's principal retirement benefits scheme available to its Hong Kong and Singapore employees, namely the Mandatory Provident Fund or Central Provident Fund, is also a defined contribution scheme. Both the Group and the employees contribute respectively to the Mandatory Provident Fund or Central Provident Fund sums which represent a certain percentage of the employees' salaries.

The contributions by the Group for the defined contribution schemes above are expensed as incurred. Other than such contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees.

During the year ended December 31, 2024 and six months ended June 30, 2025, there were no forfeited contributions under the defined contribution schemes above. Accordingly, no forfeited contribution was utilized during the year and a half, and there was no forfeited contribution available as of December 31, 2024 and June 30, 2025, to reduce the level of contributions.

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at June 30, 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or which were otherwise required, to be notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below:

### (i) Interest in Shares and underlying Shares

Name of Director	Capacity/Nature of Interest	Number of Shares <sup>(1)</sup>	Approximate percentage of shareholding <sup>(1)</sup>
Mr. Huang Yimeng ("Mr. Huang")	Settlor of a discretionary trust <sup>(2)</sup>	157,605,000 (L)	31.97%
	Beneficial owner	1,978,051 (L) <sup>(3)</sup>	0.40%
	Interest of spouse	2,100,000 (L)	0.43%
Mr. Dai Yunjie ("Mr. Dai")	Settlor of a discretionary trust <sup>(4)</sup>	53,545,000 (L)	10.86%
	Beneficial owner	1,476,104 (L) <sup>(5)</sup>	0.30%

Notes:

- (1) The Letter "L" denotes the long position in the Shares. The percentage figures disclosed under "Approximate percentage of shareholding" were calculated based on the 493,037,507 Shares, being the number of total issued Shares of the Company as of June 30, 2025.
- (2) Happy Today Holding Limited is a company incorporated in the British Virgin Islands and is wholly-owned by Happy Today Company Limited. Happy Today Company Limited is held by the Happy Today Trust, which was established by Mr. Huang as the settlor. J.P. Morgan Trust Company (Singapore) Pte. Ltd. is the trustee of the Happy Today Trust, and Mr. Huang and his family members are the beneficiaries of the Happy Today Trust. Mr. Huang is also a director of Happy Today Holding Limited. As such, each of Mr. Huang, J.P. Morgan Trust Company (Singapore) Pte. Ltd. and Happy Today Company Limited is deemed to be interested in our Shares held by Happy Today Holding Limited under the SFO.
- (3) Mr. Huang was interested in 1,978,051 Shares, of which inclusive of the interest in 997,251 Shares underlying the share options granted pursuant to the Share Option Plan which was adopted by Shareholders on June 25, 2021.
- (4) Kros Dai Inc. is a company incorporated in the British Virgin Islands and is wholly-owned by Danger and Sons Inc. Danger and Sons Inc. is held by the Dai & Sons Trust, which was established by Mr. Dai as the settlor. J.P. Morgan

Trust Company of Delaware is the trustee of the Dai & Sons Trust, and Mr. Dai and his family members are the beneficiaries of the Dai & Sons Trust. Mr. Dai is also a director of Kros Dai Inc. As such, each of Mr. Dai, J.P. Morgan Trust Company of Delaware and Danger & Sons Inc. is deemed to be interested in our Shares held by Kros Dai Inc. under the SFO.

- (5) Mr. Dai was interested in 1,476,104 Shares, of which inclusive of the interest in 910,304 Shares underlying the share options granted pursuant to the Share Option Plan which was adopted by Shareholders on June 25, 2021.

## (ii) Interest in associated corporation

Name of Director	Nature of interest	Associated corporations	Number of Shares	Approximate percentage of shareholding
Mr. Huang Yimeng	Interest in controlled corporation	X.D. Network	165,900,000 (L)	77.82%
	Beneficial owner	X.D. Network	47,281,500 (L)	22.18%

Save as disclosed above, as at June 30, 2025, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or its associated corporations, recorded in the register required to be kept under section 352 of the SFO or required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as is known to the Company, as at June 30, 2025, as recorded in the register required to be kept by the Company under section 336 of the SFO, the following persons, other than a Director or chief executive of the Company, had an interest of 5% or more in the Shares or underlying Shares:

Name of Shareholder	Nature of Interest	Number of Shares <sup>(1)</sup>	Approximate percentage of shareholding <sup>(1)</sup>
J.P. Morgan Trust Company (Singapore) Pte. Ltd.	Trustee	157,605,000 (L)	31.97%
Happy Today Company Limited	Interest in controlled corporation	157,605,000 (L)	31.97%
Happy Today Holding Limited	Beneficial owner	157,605,000 (L)	31.97%
J.P. Morgan Trust Company of Delaware	Trustee	53,545,000 (L)	10.86%
Danger & Sons Inc.	Interest in controlled corporation	53,545,000 (L)	10.86%
Kros Dai Inc.	Beneficial owner	53,545,000 (L)	10.86%

Note:

- (1) The Letter "L" denotes the long position in the Shares. The percentage figures disclosed under "Approximate percentage of shareholding" were calculated based on the 493,037,507 Shares, being the number of total issued Shares of the Company as of June 30, 2025.

Save as disclosed above, as at June 30, 2025, the Company had not been notified of any persons (other than a Director or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares that were recorded in the register required to be kept under section 336 of the SFO.



## SHARE SCHEMES

The Company has three existing share schemes, namely the RSU Scheme, the 2024 RSU Scheme and the Share Option Plan. As at the date of this report, the total number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the Reporting Period, divided by the weighted average number of Shares for the six months ended June 30, 2025 was approximately 0.08%.

## RSU SCHEME

The RSU Scheme was adopted on June 3, 2019.

### Purpose

The purpose of the RSU Scheme is to enable our Group to attract and retain the services of Participants (as defined below) considered essential to the success of our Group by providing additional incentives, and to promote the success of our Group as a whole.

### Effectiveness and Duration

Subject to any early termination as may be determined by the Board pursuant to terms of the RSU Scheme, the RSU Scheme shall be valid and effective for a period of ten years commencing from the adoption date of June 3, 2019, after which no award of RSUs granted to a Participant (the “**Award**”) will be granted, but the provisions of this RSU Scheme shall in all other respects remain in full force and effect and the Awards granted during the term of the RSU Scheme may continue to be valid and exercisable in accordance with their terms of grant. The remaining life of the RSU Scheme was approximately 4 years.

### Administration

The RSU Scheme shall be subject to the administration of the Board.

The Board shall have the sole and absolute right to (i) interpret and construe the provisions of the RSU Scheme; (ii) determine the persons who will be granted the Awards under the RSU Scheme, the terms and conditions on which the Awards are granted and when the RSUs granted pursuant to the RSU Scheme may vest; (iii) make such appropriate and equitable adjustments to the terms of the Awards granted under the RSU Scheme as it deems necessary; and (iv) make such other decisions or determinations as it shall deem appropriate in the administration of the RSU Scheme. The Board may by resolution delegate any or all of its powers in the administration of the RSU Scheme to the administration committee or any other committee as authorized by the Board for such purpose. All the decisions, determinations and interpretations made by the Board shall be final, conclusive and binding on all parties.

Heart Assets Limited (the “**RSU Holding Entity**”) was a limited liability company incorporated in the British Virgin Islands on June 4, 2019, and was established by the Company as the settlor holding our Shares pursuant to the RSU Scheme. On June 17, 2019, the Company issued and allotted an aggregate of 8,437,540 Shares to the RSU Holding Entity, which hold our Shares pursuant to the RSU Scheme on trust for and on behalf of the grantees or our Company (as the case may be), representing approximately 1.7% of the issued share capital of the Company as at the date of this report. The Shares held by the RSU Holding Entity will not be counted towards the public float of the Company.

The RSU Holding Entity will not exercise the voting rights attached to the Shares underlying the RSU Scheme.

The RSU shall be made at nil consideration to selected participants.

### Participants

Those eligible to participate in the RSU Scheme (the “**Participants**”) include: (i) full-time employees (including directors, officers and members of senior management) of any member of our Group; and (ii) any person who, in the sole opinion of the Board, has contributed or will contribute to any member of our Group.

### Annual limit of Shares

The maximum limit of the total number of Shares to be issued by the Company under the RSU Scheme in any financial year will not exceed 3% of the total Shares in issue as at the beginning of that financial year. The total number of Shares issued and to be issued to a grantee in any 12-month period will not exceed 1% of the total number of Shares in issue at anytime during this 12-month period.

### Basis of determining the purchase price of Awards

Not applicable.

## Terms and Conditions of Award

### (i) Grant of Awards

The Board may, from time to time, select the Participants to whom the Award may be granted. The amount of the Award may be determined at the sole and absolute discretion of the Board and may differ among selected Participants.

### (ii) Notice of grant

Subject to the limitations and conditions of the RSU Scheme, a notice of grant (the **"Notice of Grant"**) will be sent to the grantee confirming (a) the number of Shares (and, if applicable, the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip dividends in respect of these Shares) or the amount of cash the grantee will receive; (b) the lock-up arrangements upon vesting (if any); and (c) other terms and conditions (if any) that the RSUs are subject to as determined by the Board in its absolute discretion.

The grantee is required to execute an acceptance notice and return it to the trustee of the RSU Scheme (the **"Trustee"**) after receiving the Notice of Grant. Upon the receipt from the eligible Participant of a duly executed acceptance notice, the RSUs are granted to such Participant, who becomes a grantee pursuant to the RSU Scheme. The date of such receipt shall be the grant commencement date (the **"Grant Commencement Date"**). In the event that the grantee fails to execute or return the acceptance notice within the time period and in a manner prescribed in the Notice of Grant, it shall be deemed that such grant of Award has been irrevocably declined and thus the RSUs have immediately lapsed.

### (iii) Conditions of Award

The Board has absolute discretion on the terms and conditions of the Awards. Subject to the terms of the RSU Scheme, the Awards may be granted on such terms and conditions (such as by linking the vesting of their RSUs to the attainment or performance of milestones by any member of our Group, the grantee or any group of grantees).

### (iv) Restrictions

No grant of Award shall be made to any selected Participant at a time when the selected Participant would or might be prohibited from dealing in our Shares by the Listing Rules (where applicable) or by any other applicable rules, regulations or law.

A grant of Award must not be made after inside information has come to the knowledge of our Company until such inside information has been announced in accordance with the requirements of the Listing Rules. In particular during the period commencing one month immediately preceding the earlier of:

- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for our Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement;

no Award may be granted. Such period will cover any period of delay in the publication of a results announcement.

Where any Award is proposed to be granted to a director, it shall not be granted on any day on which the financial results of our Company are published and during the period of:

- (a) 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (b) 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

Upon the completion of Listing, any grant to any Director, chief executive or substantial shareholder of our Company, or any of their respective associates (as defined under the Listing Rules), shall be subject to the prior approval of the independent non-executive directors (excluding the independent non-executive director who is the proposed grantee of the Awards in question) and shall otherwise be subject to compliance with the requirements of the Listing Rules. Notwithstanding the foregoing, any grant of Award to a director pursuant to Rule 14A.95 of the Listing Rules will be exempted from reporting, announcement and independent Shareholders' approval requirements if the Award forms part of the relevant director's remuneration under his service contract.

The Board may not grant any Award to any Participants in any of the following circumstances:

- (a) the requisite approvals for that grant of Award from any applicable regulatory authorities have not been obtained; or
- (b) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the grant of Award or in respect this Scheme, unless the Board determines otherwise; or
- (c) where the grant of Award would result in a breach of any applicable securities laws, rules or regulations by any member of our Group or any of its directors; or
- (d) the grant of Award would result in breach of the RSU Limit or other rules of the RSU Scheme.

**(v) Transferability of Awards**

Awards, and any interest therein, shall not be transferable or assignable or encumbered, and shall not be made subject to execution, attachment or similar process, except:

- (a) transfer from a grantee to his family member by gift or pursuant to domestic relations order in the settlement of marital property rights with the consent of the Board; or
- (b) transfer by the grantee and provided that following the grantee's death, RSUs may be transferred by will, or by the laws of descent and distribution.

**Taxes**

The grantee shall pay all taxes and other liabilities that may be assessed or assessable on any payments made by our Company or Trustee under the RSU Scheme and all payments required to be made hereunder by our Company shall be subject to the deduction or withholding of any payment or transfer of any kind otherwise due to the grantee, and the grantee agrees to indemnify and keep our Company (for itself and for any members of our Group), the Trustee and RSU Holding Entity indemnified in respect of any such liability, obligation or loss and accepts any claim in respect of such indemnity may be satisfied by set-off against any sums due from our Company, any member of our Group, the Trustee and/or RSU Holding Entity to such grantee from time to time.

**Vesting****(i) Vesting period**

Subject to the terms of the RSU Scheme and the specific terms and conditions applicable to each Award, the RSUs granted shall be subject to vesting schedule and to the satisfaction of performance and/or other conditions to be determined by the Board (if any) in its absolute discretion. If such conditions are not satisfied, the RSU shall automatically lapse on the date on which such conditions are not satisfied, as determined by the Board in its absolute discretion.

The Board shall have the sole and absolute discretion to determine whether or not a grantee shall have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-script distributions from any Shares underlying an Award prior to vesting of the Award.

**(ii) Voting Rights**

Prior to the transfer of the Shares underlying the vested RSUs to the grantee, the grantee shall not be entitled to have any rights as a shareholder with respect to such Shares.

## Lapse and Forfeiture

Subject to terms and conditions of the RSU Scheme, the unvested RSUs shall automatically lapse upon the earliest of:

- (a) the date of the termination of grantee's employment or service in Cause (as defined below) by any member of our Group; or
- (b) in the event that certain general offer by way of voluntary offer or takeover is made to all the Shareholders the date of the offer (or, as the case may be, revised offer); or
- (c) in the event that certain general offer for Shares by way of scheme of arrangement is made to all the Shareholders, the record date for determining entitlements under the scheme of arrangement; or
- (d) the date of the commencement of the winding-up of our Company; or
- (e) the date on which, at the absolute discretion of the Board, the grantee has failed to perform any major customary duties or responsibilities of an employee, or has committed a material violation of any reasonable directions or instructions of the managerial department or personnel of the relevant member of our Group, or has committed a material breach of any applicable internal rules, regulations and code of conduct of the relevant member of our Group; or
- (f) the date on which it is no longer possible to satisfy any outstanding conditions to vesting; or
- (g) the Board has decided that the unvested RSUs shall not be vested in the grantee in accordance with the rules of the RSU Scheme and the terms and conditions as set out in the Notice of Grant.

For the purpose of defining the lapse conditions, the "Cause" means, with respect to a grantee, the summary termination of employment or office or service on any one or more of the following grounds: the grantee has been guilty of willful misconduct or gross negligence, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board in its absolute discretion) on any other ground on which the relevant member in our Group would be entitled to terminate his employment or office or service summarily at common law or pursuant to any applicable laws or under the grantee's employment or service contract with the relevant member in our Group.

Notwithstanding the aforesaid, in each case, the Board may in its absolute discretion decide that any RSU shall not lapse or shall be subject to such conditions or limitations as the Board may decide.

The number of Awards available for grant under the RSU Scheme at the beginning and the end of the Reporting Period were 5,882,101 and 4,590,412, respectively. As at the date of this report, the aggregate number of Shares held by the RSU Holding Entity pursuant to the RSU Scheme for and on behalf of the grantees was 7,319,009, representing approximately 1.48% of the total number of Shares in issue of our Company and no RSUs had been granted by the Company.

As of June 30, 2025, a total of 3,847,128 RSUs had been granted by the Company to certain Participants at nil consideration under the RSU Scheme and the number of RSUs available for grant was 4,590,412, representing approximately 0.93% as of the total number of Shares in issue of our Company.

For more details, please refer to the section headed “Statutory and General Information — D. RSU Scheme” in Appendix IV to the prospectus of the Company dated November 29, 2019.

Details of the movements of the Awards granted under the RSU Scheme during the Reporting Period are as follows:

Awards Grantees by categories	Award grant date	Vesting period	Unvested Awards as at January 1, 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Unvested as at June 30, 2025	Closing price of the Shares immediately before the grant (HK\$)
<b>Directors</b> <small>(note 1)</small>									
Nil									
<b>Employees</b>	January 1, 2024	January 1, 2024 to January 1, 2025	476,575	—	476,575	—	—	—	10.2
	January 1, 2024	January 1, 2024 to December 1, 2027	1,274,216	—	624,876	—	—	649,340	10.2
	January 1, 2024	January 1, 2024 to January 1, 2028	185,957	—	—	—	—	185,957	10.2
	April 1, 2024	April 1, 2024 to April 1, 2027	51,241	—	17,080	—	—	34,161	15.9
	April 1, 2024	April 1, 2024 to April 1, 2028	142,077	—	—	—	—	142,077	15.9
	June 1, 2024	June 1, 2024 to June 1, 2028	52,649	—	—	—	—	52,649	19.58
	October 1, 2024	October 1, 2024 to October 1, 2027	265,146	—	—	—	—	265,146	25.5
	November 1, 2024	November 1, 2024 to November 1, 2028	50,159	—	—	—	—	50,159	20.9
	January 1, 2025	January 1, 2025 to January 1, 2026	—	296,999	—	23,522	—	273,477	25.15
	April 1, 2025	April 1, 2025 to April 1, 2028	—	1,021,962	—	—	—	1,021,962	32.3
	April 1, 2025	April 1, 2025 to April 1, 2029	—	116,166	—	116,166	—	—	32.3
	May 1, 2025	May 1, 2025 to May 1, 2029	—	53,669	—	—	—	53,669	35.9
<b>Total</b>			<b>2,498,020</b>	<b>1,488,796</b>	<b>1,118,531</b>	<b>139,688</b>	<b>—</b>	<b>2,728,597</b>	

Note:

- (1) During the Reporting Period, the Company did not grant Awards under the RSU Scheme to any Director, a chief executive, a substantial Shareholder of the Company, nor an associate of any of them (as defined under the Listing Rules).
- (2) The weighted average closing price of the shares immediately before the dates on which the Awards were vested was 25.26.

## Fair Value of the Awards

The Group determined the fair value of the Awards under the RSU Scheme as of the grant dates by referring the fair value of the underlying ordinary shares on grant date. The weighted average fair value of Awards granted by the Company to employees during the six months ended June 30, 2025 was HKD19.69. The fair value of the Awards under the RSU Scheme was set out in note 29 to the interim financial information.

## THE 2024 RSU SCHEME

The Company has adopted the 2024 RSU Scheme on May 7, 2024 ("**Adoption Date**"), to, among others, recognise the contributions by the participants and encourage and retain such individuals for the continual operation and development of the Group by providing participants with the opportunity to acquire equity ownership in the Company. The 2024 RSU Scheme shall be solely funded by existing shares to be purchased on the market by the trustee engaged by the Company for the purpose of the 2024 RSU Scheme ("**2024 RSU Scheme Trustee**").

### Purpose

The purpose of the 2024 RSU Scheme is to (i) recognise the contributions by the Participants with an opportunity to acquire a proprietary interest in the Company; (ii) encourage and retain such individuals for the continual operation and development of the Group; (iii) provide additional incentives for them to achieve performance goals; (iv) attract suitable personnel for further development of the Group; and (v) motivate the Participants to maximise the value of the Company for the benefits of both the Participants and the Company, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Participants directly to the Shareholders through ownership of Shares.

### Duration and Termination

The 2024 RSU Scheme shall be valid and effective for a period of 10 years commencing on May 7, 2024, after which no 2024 Awards will be granted, but the provisions of the 2024 RSU Scheme shall in all other respects remain in full force and effect and the 2024 Awards granted during the term of the 2024 RSU Scheme may continue to be valid and exercisable in accordance with their respective terms of grant. As at the date of this report, the remaining life of the 2024 RSU Scheme is approximately 8.5 years.

### Administration

The 2024 RSU Scheme shall be subject to the administration of the Board and the Board shall have the sole and absolute right to, among others, interpret and construe the provisions of the 2024 RSU Scheme and determine the grantees who will be granted 2024 Awards under the 2024 RSU Scheme, the terms and conditions on which 2024 Awards are granted and when the 2024 Awards granted pursuant to the 2024 RSU Scheme may vest. The Company shall appoint the Trustee to assist with the administration and vesting of 2024 Awards granted pursuant to the 2024 RSU Scheme and the Trustee shall not exercise any voting rights in respect of any Shares held pursuant to the 2024 RSU Scheme.



## Participants

Those eligible to participate in the 2024 RSU Scheme (the “**2024 RSU Scheme Participants**”) include: (i) full-time employees (including directors, officers and members of senior management) of any member of our Group; and (ii) any person who, in the sole opinion of the Board, has contributed or will contribute to any member of our Group.

## Basis of determining the purchase price of 2024 Awards

Not applicable.

## Vesting Period, Performance Target and Lapse

The Board shall decide on the specific terms and conditions (including but not limited to vesting period and vesting conditions) applicable to each 2024 Award. If the performance milestones or targets and/or other conditions determined by the Board (if any) are not satisfied, the 2024 Award shall automatically lapse on the date on which any such condition is not satisfied, as determined by the Board in its sole and absolute discretion.

In the event of a general offer (whether by way of voluntary offer, takeover or otherwise), a voluntary winding-up or a compromise or arrangement, the Board shall have absolute discretion to determine whether any unvested 2024 Award shall vest and the period within which such Award shall vest.

## Scheme Limit and Limit on Individual Grant

The maximum number of 2024 Awards which may be granted under the 2024 RSU Scheme shall not exceed 3% of the number of issued Shares as of May 7, 2024 (i.e. 14,417,517 Shares). The aforementioned scheme limit may be refreshed by the Board from time to time and any 2024 Award granted prior to the refreshment of limit will not be counted for the purpose of determining the refreshed scheme limit.

No further 2024 Award shall be granted to any 2024 RSU Scheme Participant if any such grant of 2024 Awards, when aggregated with all 2024 Awards granted to such 2024 RSU Scheme Participant (excluding any 2024 Award lapsed in accordance with the terms of the 2024 RSU Scheme) in the 12-month period up to and including the grant date of such new grant, would result in the total number of Shares issued and to be issued to such 2024 RSU Scheme Participant in aggregate exceeding 1% of the issued Shares as at the date of grant of such new grant.

## Restrictions on grant of Awards

No Award may be granted to any 2024 RSU Scheme Participant:

- (a) where the Company has information that must be disclosed under Rule 13.09 of the Listing Rules or where the Company reasonably believes there is inside information (within the meaning given under Part XIVA of the SFO, the **"Inside Information"**) which must be disclosed under Part XIVA of the SFO, until such Inside Information has been published on the websites of the Stock Exchange and the Company;
- (b) after any Inside Information in relation to the securities of the Company has occurred or has become the subject of a decision, until such Inside Information has been published;
- (c) within the period commencing 60 days (in the case of yearly results), or 30 days (in the case of results for half-year, quarterly or other interim period) immediately preceding the earlier of (i) the date of a meeting of the Board (as such date is first notified to the Stock Exchange) for the approval of the Company's results for any year, half-year, quarterly or other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to publish its quarterly, interim or annual results announcement for any such period, and ending on the date of such announcement;
- (d) in any other circumstances where dealings by selected Participant (including Directors) are prohibited under the Listing Rules, the SFO or any other applicable law or regulation or where the requisite approval from any applicable regulatory authorities has not been granted;
- (e) the securities laws or regulations require that a prospectus or other offering documents be issued in respect of the Grant or in respect of the 2024 RSU Scheme, unless the Board determines otherwise;
- (f) where the grant of 2024 Award would result in a breach of any applicable securities laws, rules or regulations by any member of the Group or any of its directors; or
- (g) where the grant of 2024 Award would result in breach of the 2024 RSU Scheme limit or other rules of the 2024 RSU Scheme.

## Number of 2024 Awards available for Grant

As of June 30, 2025, a total of 10,080,000 2024 Awards has been granted by the Company to certain 2024 RSU Scheme Participants at nil consideration under the 2024 RSU Scheme. As at June 30, 2025, 4,337,517 2024 Awards are available for grant under the 2024 RSU Scheme, representing approximately 0.88% of the total number of issued Shares as at the date of this report.

During the Reporting Period, the Trustee has purchased in total 2,243,000 shares on the Stock Exchange at the total consideration of HK\$64.2 million pursuant to the terms of the trust deed entered into by the Company and the Trustee in connection with the 2024 RSU Scheme. Subsequent to the Reporting Period, the Trustee has not purchased any Share.

Details of the movements of the 2024 Awards granted under the 2024 RSU Scheme during the Reporting Period are as follows:

Awards Grantees by categories	Award grant date	Vesting period	Unvested Awards as at January 1, 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period	Unvested as at June 30, 2025	Closing price of the Shares immediately before the grant (HK\$)
<b>Directors</b> <small>(note 1)</small>									
Nil									
<b>Employees</b>	July 1, 2024	July 1, 2024 to July 1, 2029	1,920,000	—	—	—	—	1,920,000	18.82
	August 1, 2024	August 1, 2024 to August 1, 2029	2,880,000	—	—	—	—	2,880,000	22.95
	September 1, 2024	September 1, 2024 to September 1, 2029	2,880,000	—	—	—	—	2,880,000	19.84
	October 1, 2024	October 1, 2024 to October 1, 2029	2,400,000	—	—	—	—	2,400,000	25.50
<b>Total</b>			<b>10,080,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>10,080,000</b>	

Note:

- (1) During the Reporting Period, the Company did not grant 2024 Awards under the 2024 RSU Scheme to any Director, a chief executive, a substantial Shareholder of the Company, nor an associate of any of them (as defined under the Listing Rules).

### Fair Value of the 2024 Awards

The Group determined the fair value of the 2024 Awards as of the grant dates by referring the fair value of the underlying ordinary shares on grant date. The weighted average fair value of 2024 Awards granted by the Company to employee during the six months ended June 30, 2025 was HKD22.05. The fair value of the 2024 Awards was set out in note 29 to the interim financial information.

## SHARE OPTION PLAN

On April 30, 2021, the Board resolved to propose the adoption of the Share Option Plan. On June 25, 2021 (the **“Adoption Date”**), the Share Option Plan was considered and approved by the Shareholders at the annual general meeting of the Company which will be valid and effective for a period of 10 years commencing on the adoption date. As of June 30, 2025, the remaining life of the Share Option Plan was approximately 6 years.

### Purpose

The purpose of the Share Option Plan is to provide incentives and rewards to the directors and employees of the Group for their contributions to, and continuing efforts to promote the interest of, the Company.

### Eligible Participants

The eligible participants for the Share Option Plan include any employee (whether full time or part time), executives or officers, directors (including executive, non-executive and independent non-executive directors) of any member of the Group, who, in the sole opinion of the Board, have contributed or will contribute to the growth and development of the Group.

### Maximum Number of Shares

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Plan and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the Adoption Date that is, 48,043,070 Shares. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Plan and any other options granted and yet to be exercised under any other option scheme shall not exceed 30% of the issued Shares from time to time.

### Maximum Entitlement of Eligible Participants

No option may be granted to any eligible participant which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of the options already granted or to be granted to such eligible participant under the Share Option Plan (including exercised, cancelled and outstanding options) in the 12-month period up to and including the grant date of such new grant exceeding 1% in aggregate of the issued share capital of the Company as at the grant date of such new grant. Any grant of further options above this limit shall be subject to the requirements provided under the Listing Rules.

### **Vesting Period and Exercise Period**

The Share Option Plan provides that the Board may specify the vesting period of the options and does not provide for any minimum vesting period. The option must be exercised no more than 10 years from the grant date. There is no minimum period for which an option must be held before it can be exercised. The Board and the Remuneration and Appraisal Committee will take into account of the purpose of the Share Option Plan as part of the remuneration package of eligible participants to incentivize their performance and to make continuous contributions to the growth and development of the Group, as well as maintaining the competitiveness of the remuneration package offered by the Group as compared with those offered by the industry peers.

### **Performance Target**

There is no performance target attached to the options under the Share Option Plan. For the grant of options, the Board and the Remuneration and Appraisal Committee will consider the ability of eligible participants for their contributions to the overall operations, development and long-term growth of the Group with reference to their tenure with the Group and their industry experience. It is the common practice of gaming industry of granting options without performance target. The grant of options aligns the interest of eligible participants with that of the Company and the Shareholders and reinforces the eligible participants' commitment to the Group and thus aligns with the purpose of the Share Option Plan.

### **Clawback Mechanism**

Any options shall lapse and not exercisable with immediate effect on the following date:

- (a) on which the grantee ceases to be an eligible participant (including any employees, executives or officers and directors of any members of the Group) in accordance with the Share Option Plan; or
- (b) on the date on which the Board exercises the Company's right to cancel or forfeit the options if the grantee commits any breach of non-transferrable provision of the options and confidentiality clause of the Share Option Plan.

### **Subscription Price and Consideration for the Options**

The Board shall be entitled at any time during the operation of the Share Option Plan, at its/his/her sole and absolute discretion, to make an offer of options to an eligible participant by letter in such form as the Board may from time to time determine. Unless otherwise determined by the Board, RMB1.00 shall be payable by the grantee to the Company upon acceptance of the offer of options, and such remittance shall not be refundable.

The total number of shares available for issue under the plan is 43,527,496 (representing 8.80% of the issued shares) as at the date of this report. The exercise price shall be a price determined by the Board and notified to any grantee and will be the highest of:

- (a) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the grant date of the relevant options, which must be a business day;

- (b) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five (5) business days immediately preceding the grant date of the relevant options; or
- (c) the nominal value per Share on the grant date.

### Movements of Options during the Reporting Period

Pursuant to Rule 17.07 of the Listing Rules, particulars and movements of share options under the Share Option Plan during the period from the Adoption Date to June 30, 2025 (the **"Period"**) by category of grantees were as follows:

Category of grantees	Date of grant	Exercise price per Share	Closing price immediately before the date of grant	Vesting period/ Exercisable period	Outstanding as at January 1, 2025	Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Outstanding as at June 30, 2025
<b>Directors and substantial shareholders</b>										
Mr. Huang Yimeng (Executive Director)	July 12, 2021	HK\$62.60	HK\$60.20	July 12, 2021 to July 11, 2031	16,049	—	—	—	—	16,049
	October 11, 2021	HK\$46.90	HK\$42.85	October 11, 2021 to October 10, 2031	64,705	—	—	—	—	64,705
	January 10, 2022	HK\$37.01	HK\$35.60	January 10, 2022 to January 9, 2032	83,213	—	—	—	—	83,213
	April 11, 2022	HK\$25.04	HK\$23.35	April 11, 2022 to April 10, 2032	122,982	—	—	—	—	122,982
	July 5, 2022	HK\$21.64	HK\$20.60	July 5, 2022 to July 4, 2032	135,331	—	—	—	—	135,331
	October 14, 2022	HK\$16.09	HK\$15.04	October 14, 2022 to October 13, 2032	138,900	—	138,900	—	—	—
	January 11, 2023	HK\$25.86	HK\$26.80	January 11, 2023 to January 10, 2033	83,210	—	—	—	—	83,210
	April 12, 2023	HK\$27.79	HK\$27.55	April 12, 2023 to April 11, 2033	102,561	—	—	—	—	102,561
	July 6, 2023	HK\$20.29	HK\$20.45	July 6, 2023 to July 5, 2033	133,626	—	133,626	—	—	—
	October 16, 2023	HK\$13.284	HK\$12.78	October 16, 2023 to October 15, 2033	161,056	—	161,056	—	—	—
	January 12, 2024	HK\$9.31	HK\$9.38	January 12, 2024 to January 11, 2034	83,210	—	83,210	—	—	—
	April 15, 2024	HK\$14.392	HK\$14.20	April 15, 2024 to April 14, 2034	102,561	—	102,561	—	—	—
	July 8, 2024	HK\$17.876	HK\$17.20	July 8, 2024 to July 7, 2034	120,000	—	95,800	—	—	24,200
	October 17, 2024	HK\$21.54	HK\$20.60	October 17, 2024 to October 16, 2034	120,000	—	—	—	—	120,000
	January 13, 2025	HK\$23.27	HK\$22.35	January 13, 2025 to January 12, 2035	—	122,500	—	—	—	122,500
	April 16, 2025	HK\$30.73	HK\$30.90	April 16, 2025 to April 15, 2035	—	122,500	—	—	—	122,500

Category of grantees	Date of grant	Exercise price per Share	Closing price immediately before the date of grant	Vesting period/ Exercisable period	Outstanding as at January 1, 2025	Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Outstanding as at June 30, 2025
Mr. Dai Yunjie (Executive Director)	July 12, 2021	HK\$62.60	HK\$60.20	July 12, 2021 to July 11, 2031	9,924	—	—	—	—	9,924
	October 11, 2021	HK\$46.90	HK\$42.85	October 11, 2021 to October 10, 2031	40,009	—	—	—	—	40,009
	January 10, 2022	HK\$37.01	HK\$35.60	January 10, 2022 to January 9, 2032	51,453	—	—	—	—	51,453
	April 11, 2022	HK\$25.04	HK\$23.35	April 11, 2022 to April 10, 2032	122,982	—	—	—	—	122,982
	July 5, 2022	HK\$21.64	HK\$20.60	July 5, 2022 to July 4, 2032	99,243	—	—	—	—	99,243
	October 10, 2022	HK\$16.72	HK\$16.76	October 10, 2022 to October 9, 2032	121,244	—	—	—	—	121,244
	January 11, 2023	HK\$25.86	HK\$26.80	January 11, 2023 to January 10, 2033	3,715	—	—	—	—	3,715
	April 12, 2023	HK\$27.79	HK\$27.55	April 12, 2023 to April 11, 2033	51,281	—	—	—	—	51,281
	July 6, 2023	HK\$20.29	HK\$20.45	July 6, 2023 to July 5, 2033	66,813	—	—	—	—	66,813
	October 16, 2023	HK\$13.284	HK\$12.78	October 16, 2023 to October 15, 2033	102,537	—	—	—	—	102,537
	January 12, 2024	HK\$9.31	HK\$9.38	January 12, 2024 to January 11, 2034	147,715	—	70,000	—	—	77,715
	April 15, 2024	HK\$14.392	HK\$14.20	April 15, 2024 to April 14, 2034	163,388	—	—	—	—	163,388
Employees	July 12, 2021	HK\$62.60	HK\$60.20	July 12, 2021 to July 11, 2031	321,179	—	—	—	—	321,179
	October 11, 2021	HK\$46.90	HK\$42.85	October 11, 2021 to October 10, 2031	919,107	—	2,200	—	—	916,907
	January 10, 2022	HK\$37.01	HK\$35.60	January 10, 2022 to January 9, 2032	1,883,310	—	93,821	—	—	1,789,489
	April 11, 2022	HK\$25.04	HK\$23.35	April 11, 2022 to April 10, 2032	651,614	—	96,393	—	—	555,221
	July 5, 2022	HK\$21.64	HK\$20.60	July 5, 2022 to July 4, 2032	782,219	—	155,518	—	—	626,701
	October 10, 2022	HK\$16.72	HK\$16.76	October 10, 2022 to October 9, 2032	936,217	—	151,072	—	—	785,145
	January 11, 2023	HK\$25.86	HK\$26.80	January 11, 2023 to January 10, 2033	846,467	—	108,562	—	—	737,905
	April 12, 2023	HK\$27.79	HK\$27.55	April 12, 2023 to April 11, 2033	460,404	—	35,741	—	—	424,663
	July 6, 2023	HK\$20.29	HK\$20.45	July 6, 2023 to July 5, 2033	626,444	—	35,882	—	—	590,562
	October 16, 2023	HK\$13.284	HK\$12.78	October 16, 2023 to October 15, 2033	928,103	—	192,205	—	—	735,898
	January 12, 2024	HK\$9.31	HK\$9.38	January 12, 2024 to January 11, 2034	1,119,706	—	261,552	—	—	858,154
	April 15, 2024	HK\$14.392	HK\$14.20	April 15, 2024 to April 14, 2034	4,962,099	—	42,778	—	—	4,919,321
	July 8, 2024	HK\$17.876	HK\$17.20	July 8, 2024 to July 7, 2034	125,511	—	10,353	—	—	115,158

Category of grantees	Date of grant	Exercise price per Share	Closing price immediately before the date of grant	Vesting period/ Exercisable period	Outstanding as at January 1, 2025	Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Outstanding as at June 30, 2025
	October 17, 2024	HK\$21.54	HK\$20.60	October 17, 2024 to October 16, 2034	130,347	—	9,592	—	—	120,755
	January 13, 2025	HK\$23.27	HK\$22.35	January 13, 2025 to January 12, 2035	—	136,216	7,320	—	—	128,896
	April 16, 2025	HK\$30.73	HK\$30.90	April 16, 2025 to April 15, 2035	—	29,546	96	—	—	29,450
<b>Total</b>					<b>17,140,435</b>	<b>410,762</b>	<b>(1,988,238)</b>	<b>—</b>	<b>—</b>	<b>15,562,959</b>

Notes:

- (1) The weighted average closing price of the shares immediately before the dates of exercise was HK\$41.63 per Share.
- (2) All options granted vested on the date of grant pursuant to the terms of the Share Option Plan.

On July 12, 2021, a total of 347,234 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 16,049 options granted to Mr. Huang Yimeng, an executive Director, and 9,924 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated July 12, 2021.

On October 11, 2021, a total of 1,023,821 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 64,705 options granted to Mr. Huang Yimeng, an executive Director, and 40,009 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated October 11, 2021.

On January 10, 2022, a total of 5,675,911 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 83,213 options granted to Mr. Huang Yimeng, an executive Director, and 51,453 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated January 10, 2022.

On April 11, 2022, a total of 906,802 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 122,982 options granted to Mr. Huang Yimeng, an executive Director, and 122,982 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated April 11, 2022.

On July 5, 2022, a total of 1,069,037 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 135,331 options granted to Mr. Huang Yimeng, an executive Director, and 99,243 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated July 5, 2022.



On October 10, 2022, a total of 1,378,808 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 165,332 options granted to Mr. Huang Yimeng, an executive Director, and 121,244 options granted to Mr. Dai Yunjie, an executive Director. As disclosed in the announcement of the Company dated October 14, 2022, the Board has resolved to cancel the 165,332 options which were granted to Mr. Huang Yimeng and further announced that a total of 138,900 share options were granted by the Company under the Share Option Plan to Mr. Huang Yimeng. For details, please refer to the announcements of the Company dated October 10, 2022 and October 14, 2022.

On January 11, 2023, a total of 942,550 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 83,210 options granted to Mr. Huang Yimeng, an executive Director, and 3,715 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated January 11, 2023.

On April 12, 2023, a total of 614,246 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 102,561 options granted to Mr. Huang Yimeng, an executive Director, and 51,281 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated April 12, 2023.

On January 12, 2024, a total of 1,875,305 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 83,210 options granted to Mr. Huang Yimeng, an executive Director, and 147,715 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated January 12, 2024.

On April 15, 2024, a total of 5,240,554 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 102,561 options granted to Mr. Huang Yimeng, an executive Director, and 163,388 options granted to Mr. Dai Yunjie, an executive Director. For details, please refer to the announcement of the Company dated April 15, 2024.

On July 8, 2024, a total of 252,911 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 120,000 options granted to Mr. Huang Yimeng, an executive Director. For details, please refer to the announcement of the Company dated July 8, 2024.

On October 17, 2024, a total of 252,147 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 120,000 options granted to Mr. Huang Yimeng, an executive Director. For details, please refer to the announcement of the Company dated October 17, 2024.

On January 13, 2025, a total of 258,716 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 122,500 options granted to Mr. Huang Yimeng, an executive Director. For details, please refer to the announcement of the Company dated January 13, 2025.

On April 16, 2025, a total of 152,046 options were granted by the Company under the Share Option Plan to certain eligible participants to subscribe for ordinary shares of US\$0.0001 each of the Company, including 122,500 options granted to Mr. Huang Yimeng, an executive Director. For details, please refer to the announcement of the Company dated April 16, 2025.

During the Reporting Period, a total of 1,203,085 options were exercised by eligible participants (other than Directors) of the Company under the Share Option Plan.

During the Reporting Period, a total of 785,153 options were exercised by Directors under the Share Option Plan.

Save as disclosed above, no options were granted, exercised, cancelled or lapsed under the Share Option Plan during the Reporting Period.

### **Number of Options Available for Grant**

The number of options available for grant under the Share Option Plan at the beginning and the end of the Reporting Period were 29,883,984 and 29,473,222, respectively.

### **Fair Value of the Options**

The Group used Binomial option-pricing model to determine the fair value of the share option as of the grant dates. The fair value of Options granted by the Company during the six months ended June 30, 2025 to employee participants on January 13, 2025 and April 16, 2025 was HKD11.73 per Option and HKD14.13 per Option, respectively, at such dates of grant, and the fair value of Options granted to Directors was HKD12.88 per Option and HKD15.30 per Option, respectively, at such dates of grants. Key assumptions and the fair value of the Options are set out in note 29 to the interim financial information.

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## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

## To the Board of Directors of XD Inc.

*(incorporated in the Cayman Islands with limited liability)*

### Introduction

We have reviewed the interim financial information set out on pages 48 to 103, which comprises the interim condensed consolidated statement of financial position of XD Inc. (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at 30 June 2025 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 29 August 2025

# 06

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME



## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
	Notes		
Revenues	6	3,081,986	2,220,567
Cost of revenues	6, 7	(829,228)	(723,756)
<b>Gross profit</b>		<b>2,252,758</b>	1,496,811
Selling and marketing expenses	7	(743,857)	(695,322)
Research and development expenses	7	(548,871)	(419,489)
General and administrative expenses	7	(125,983)	(138,323)
Net impairment (losses)/reversal on financial assets	7	(3,476)	873
Other income	8	17,187	5,440
Other gains, net	9	13,603	20,523
<b>Operating profit</b>		<b>861,361</b>	270,513
Finance income		22,661	18,381
Finance costs		(4,272)	(15,607)
Finance income, net	10	18,389	2,774
Share of results of investments accounted for using the equity method	16	938	8,746
<b>Profit before income tax</b>		<b>880,688</b>	282,033
Income tax expenses	11	(70,092)	(31,454)
<b>Profit for the period</b>		<b>810,596</b>	250,579

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<b>Other comprehensive income:</b>			
<i>Items that may not be reclassified to profit or loss</i>			
— Currency translation differences		(4,217)	(9,457)
<i>Items that may be reclassified to profit or loss</i>			
— Currency translation differences		(16,340)	3,493
<b>Total comprehensive income for the period</b>		<b>790,039</b>	<b>244,615</b>
<b>Profit for the period attributable to:</b>			
Equity holders of the Company		754,856	205,102
Non-controlling interests		55,740	45,477
		<b>810,596</b>	<b>250,579</b>
<b>Total comprehensive profit for the period attributable to:</b>			
Equity holders of the Company		737,026	199,358
Non-controlling interests		53,013	45,257
		<b>790,039</b>	<b>244,615</b>
<b>Earnings per share for profit for the period attributable to the equity holders of the Company</b>			
Basic earnings per share (RMB)	12	1.57	0.43
Diluted earnings per share (RMB)	12	1.54	0.43

The notes on pages 59 to 103 are an integral part of these condensed consolidated financial statements.

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION





# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13	20,903	24,987
Right-of-use assets	14	115,921	143,793
Intangible assets	13	202,122	228,113
Deferred tax assets	15	28,190	32,795
Investments accounted for using the equity method	16	92,666	111,039
Long term investments measured at fair value through profit or loss	17	10,878	10,879
Prepayments, deposits and other non-current assets	18	29,494	24,916
		<b>500,174</b>	576,522
<b>Current assets</b>			
Trade receivables	19	743,557	333,413
Prepayments, deposits and other current assets	18	84,551	103,109
Short-term investments	20	210,848	128,984
Cash and cash equivalents	21	2,971,628	2,781,173
		<b>4,010,584</b>	3,346,679
<b>Total assets</b>		<b>4,510,758</b>	3,923,201
<b>EQUITY</b>			
Share capital	22	338	336
Share premium	22	7,278,532	7,217,458
Shares held for share award schemes	22	(107,659)	(48,561)
Other reserves	23	(4,798,114)	(4,699,016)
Retained earnings		616,814	43,602
<b>Equity attributable to equity holders of the Company</b>		<b>2,989,911</b>	2,513,819
Non-controlling interests		216,846	200,800
<b>Total equity</b>		<b>3,206,757</b>	2,714,619

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	24	94,210	115,419
Deferred tax liabilities	15	11,491	13,755
		<b>105,701</b>	129,174
<b>Current liabilities</b>			
Trade payables	25	229,516	186,340
Advance from customers		51,550	48,165
Other payables and accruals	26	439,435	382,501
Contract liabilities	27	288,506	321,872
Current income tax liabilities		150,093	96,777
Lease liabilities	24	39,200	43,753
		<b>1,198,300</b>	1,079,408
<b>Total liabilities</b>		<b>1,304,001</b>	1,208,582
<b>Total equity and liabilities</b>		<b>4,510,758</b>	3,923,201

The notes on pages 59 to 103 are an integral part of these condensed consolidated financial statements.

The financial statements on pages 48 to 103 were approved by the Board of Directors on 29 August 2025 and were signed on its behalf.

**Dai Yunjie**  
Director

**Fan Shuyang**  
Director

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to equity holders of the Company									
Shares held									
for share									
Notes	Share capital	Share premium	award schemes	Other reserves	Accumulated deficit	Sub-total	Non-controlling interests	Total	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
(Unaudited)									
As of 1 January 2024	329	7,036,290	(6)	(4,490,917)	(836,523)	1,709,173	159,578	1,868,751	
Comprehensive income									
Profit for the period	—	—	—	—	205,102	205,102	45,477	250,579	
Other comprehensive income									
— Currency translation differences	—	—	—	(5,744)	—	(5,744)	(220)	(5,964)	
Total comprehensive income for the period	—	—	—	(5,744)	205,102	199,358	45,257	244,615	
Transaction with owners in their capacity as owners									
Share-based compensation expenses	29	—	—	—	28,232	—	28,232	—	28,232
Exercise of share options		—*	2,648	—	(868)	—	1,780	—	1,780
Appropriation to statutory reserves		—	—	—	21,063	(21,063)	—	—	—
Repurchase of convertible bonds		—	—	—	(20,869)	20,179	(690)	—	(690)
Redemption of convertible bonds		—	—	—	(55,513)	55,513	—	—	—
Dividend distribution of subsidiaries	28	—	—	—	—	—	(16,164)	—	(16,164)
Transaction with non-controlling interests		—	—	—	(195,531)	—	(195,531)	—	(195,531)
Total transactions with owners in their capacity as owners for the period		—*	2,648	—	(223,486)	54,629	(166,209)	(16,164)	(182,373)
As of 30 June 2024	329	7,038,938	(6)	(4,720,147)	(576,792)	1,742,322	188,671	1,930,993	

Attributable to equity holders of the Company									
Notes	Shares held						Sub-total RMB'000	Non-controlling interests RMB'000	Total RMB'000
	Share capital RMB'000	Share premium RMB'000	for share		Other reserves RMB'000	Retained earnings RMB'000			
			award schemes RMB'000						
(Unaudited)									
As of 1 January 2025		336	7,217,458	(48,561)	(4,699,016)	43,602	2,513,819	200,800	2,714,619
Comprehensive income									
Profit for the period		—	—	—	—	754,856	754,856	55,740	810,596
Other comprehensive income									
— Currency translation differences		—	—	—	(17,830)	—	(17,830)	(2,727)	(20,557)
Total comprehensive income for the period		—	—	—	(17,830)	754,856	737,026	53,013	790,039
Transaction with owners in their capacity as owners									
Share-based compensation expenses	29	—	—	—	42,259	—	42,259	—	42,259
Exercise of share options		2	50,643	—	(14,550)	—	36,095	—	36,095
Appropriation to statutory reserves		—	—	—	27	(27)	—	—	—
Dividend distribution to shareholders	28	—	—	—	—	(181,617)	(181,617)	—	(181,617)
Transaction with non-controlling interests	23	—	—	—	(98,573)	—	(98,573)	(36,967)	(135,540)
Repurchase of shares	22	—	—	(59,098)	—	—	(59,098)	—	(59,098)
Vesting of awarded restricted share units		—	10,431	—	(10,431)	—	—	—	—
Total transactions with owners in their capacity as owners for the period		2	61,074	(59,098)	(81,268)	(181,644)	(260,934)	(36,967)	(297,901)
As of 30 June 2025		338	7,278,532	(107,659)	(4,798,114)	616,814	2,989,911	216,846	3,206,757

\* The amount is less than RMB1,000.

The notes on pages 59 to 103 are an integral part of these condensed consolidated financial statements.

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## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS



# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
		Notes	
<b>Cash flows from operating activities</b>			
Cash generated from operations		646,739	380,585
Income tax paid		(15,121)	(1,144)
<b>Net cash flows generated from operating activities</b>		<b>631,618</b>	<b>379,441</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(3,707)	(1,263)
Proceeds from disposals of property, plant and equipment		464	3,128
Purchase of intangible assets (including prepayments for intangible assets)		(17,298)	(17,349)
Purchase of short-term investments		(204,000)	(194,000)
Proceeds from disposals of short-term investments		123,569	225,304
Proceeds from disposal of investments accounted for using the equity method	16	2,608	—
Dividends received from investments accounted for using the equity method	16	18,000	18,000
<b>Net cash (used in)/generated from investing activities</b>		<b>(80,364)</b>	<b>33,820</b>
<b>Cash flows from financing activities</b>			
Dividend paid to non-controlling shareholders	28	—	(16,164)
Payment for interest of convertible bonds		—	(7,087)
Repurchase of convertible bonds		—	(422,676)
Redemption of convertible bonds		—	(1,137,335)
Proceeds from exercise of share options		36,095	1,780
Payments for withholding individual income tax for share option schemes		5,840	—
Payment for lease liabilities (including interests)	14	(19,721)	(20,114)
Payment for acquisition of additional interests in subsidiaries with non-controlling interests		(135,540)	—
Dividend paid to shareholders	28	(178,070)	—
Cash paid for repurchase of shares	22	(59,098)	—
Proceeds from borrowings		—	130,564
Interests paid for borrowings	10	—	(1,715)
<b>Net cash used in financing activities</b>		<b>(350,494)</b>	<b>(1,472,747)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>200,760</b>	<b>(1,059,486)</b>
Cash and cash equivalents at the beginning of the period		2,781,173	3,206,821
Effects of exchange rate changes on cash and cash equivalents		(10,305)	16,165
<b>Cash and cash equivalents at the end of the period</b>	21	<b>2,971,628</b>	<b>2,163,500</b>

The notes on pages 59 to 103 are an integral part of these condensed consolidated financial statements.

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## NOTES TO THE INTERIM FINANCIAL INFORMATION





# NOTES TO THE INTERIM FINANCIAL INFORMATION

## 1 GENERAL INFORMATION

XD Inc. (the “**Company**”) is an exempted company with limited liability incorporated under the laws of the Cayman Islands on 25 January 2019, and was listed on the Stock Exchange of Hong Kong Limited on 12 December 2019.

The Company is an investment holding company. The Company and its subsidiaries, including structured entities (collectively, the “**Group**”) are principally engaged in the development, operation, publishing and distribution of mobile and web games and operation of Taptap, a game community and platform, in the People’s Republic of China (the “**PRC**”) and other countries and regions.

The condensed consolidated financial statements for the six months ended 30 June 2025 (the “**Interim Financial Statements**”) are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) unless otherwise stated.

## 2 BASIS OF PREPARATION

The Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 (“**IAS 34**”), “Interim Financial Reporting”.

The Interim Financial Statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with International Financial Reporting Standards as issued by the IASB (“**IFRS Accounting Standards**”) as set out in 2024 annual report of the Company dated 28 March 2025 (the “**2024 Financial Statements**”).

## 3 MATERIAL ACCOUNTING POLICY INFORMATION

Except for the estimation of income tax (Note 11) and described as below, the accounting policies adopted in the Interim Financial Statements are generally consistent with those applied in the preparation of 2024 Financial Statements in all material aspects.

The following amendment to standards has been adopted by the Group for the first time for the financial year beginning on 1 January 2025:

- Lack of exchangeability — Amendments to IAS 21

### 3 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

The new and revised standard above will not have a material effect on the Interim Financial Statements. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

The following new standards and amendments to standards have not come into effect for the financial year beginning 1 January 2025 and have not been early adopted by the Group in preparing the Interim Financial Statements. As of the date of approval of this Interim Financial Information, the Group is still in the process of assessing the impact of these new or revised standards, and amendments. According to the preliminary assessment made by the directors, except for IFRS 18 which will have pervasive impact on presentation and disclosure in the financial statements, particularly those related to the statement of financial performance, no significant effect on the Group's financial statement is expected. The Group will continue to assess the effects of these new and amended standards.

		Effective for accounting year beginning on or after
Amendment to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	1 January 2026
Annual improvements to IFRS — Volume 11	Annual improvements	1 January 2026
Amendment to IFRS 9 and IFRS 7	Contracts Referencing Nature- dependent Electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

## 4 FINANCIAL RISK MANAGEMENT

### 4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the 2024 Financial Statements.

There were no significant changes in any material risk management policies during the six months ended 30 June 2025.

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for owners and benefits for other owners and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on basis of the gearing ratio. This ratio is calculated as total liabilities divided by total assets. As at 30 June 2025 and 31 December 2024, the gearing ratio of the Group is as follows:

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	As at 31 December 2024 RMB'000 (Audited)
Total liabilities	<b>1,304,001</b>	1,208,582
Total assets	<b>4,510,758</b>	3,923,201
<b>Gearing ratio (%)</b>	<b>28.9%</b>	30.8%

### 4.3 Fair value estimation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value in the financial statements.

#### (a) Fair value hierarchy

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2025 and 31 December 2024, by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

#### (a) Fair value hierarchy (Continued)

As at 30 June 2025 and 31 December 2024, none of the Group's financial liabilities are measured at fair value, and none of the Group's financial assets are measured at fair value using level 1 or level 2 inputs. The following table presents the Group's financial assets that are measured at fair value using level 3 inputs:

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Short-term investments measured at fair value through profit or loss	20	210,848	78,984
Long-term investments measured at fair value through profit or loss	17	10,878	10,879
		221,726	89,863

#### (b) Fair value measurements using significant unobservable inputs (level 3)

(i) *Wealth management products issued by commercial banks*

	Six months ended 30 June 2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>At the beginning of the period</b>	<b>78,984</b>	147,657
Addition	204,000	194,000
Changes in fair value	1,104	1,861
Disposal	(73,240)	(225,304)
Currency translation differences	—	—
<b>At the end of the period</b>	<b>210,848</b>	118,214
* includes unrealized gains recognised in profit or loss attributable to balances held at the end of the period	5,848	4,214

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

#### (b) Fair value measurements using significant unobservable inputs (level 3) (Continued)

##### (ii) Investments in unlisted companies

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>At the beginning of the period</b>	<b>10,879</b>	18,840
— Currency translation differences	(1)	1
<b>At the end of the period</b>	<b>10,878</b>	18,841

#### (c) Valuation process and techniques

The Group has a team that manages the valuation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case by case basis. At least once a year, the team uses valuation techniques to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including:

- the use of quoted market prices or dealer quotes for similar instruments;
- the discounted cash flow model and unobservable inputs mainly including assumptions of expected future cash flows and discount rate;
- the latest round financing, i.e. the prior transaction price or the third-party pricing information; and
- a combination of observable and unobservable inputs, including risk-free rate, expected volatility, discount rate for lack of marketability, market multiples, etc.

There were no change to valuation techniques during the reporting period.

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

#### (d) Valuation inputs and relationship to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements.

Description	Fair value as at		Unobservable inputs	Range of inputs as at		Relationship of unobservable inputs to fair value
	30 June	31 December		30 June	31 December	
	2025	2024		2025	2024	
	RMB'000	RMB'000				
	(Unaudited)	(Audited)				
Investments in unlisted companies	10,878	10,879	Expected volatility	62.12%	62.12%	The higher the expected volatility, the higher the fair value
			Discount for lack of marketability ("DLOM")	25%	25%	The higher the DLOM, the lower the fair value
Wealth management products issued by commercial banks	210,848	78,984	Net asset value	n/a	n/a	The higher the net assets value, the higher the fair value

## 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2024 Financial Statements.

## 6 SEGMENT INFORMATION AND REVENUE

The Group's business activities, for which discrete financial information is available, are regularly reviewed and evaluated by the chief operating decision-maker ("**CODM**"). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that make strategic decisions. As a result of this evaluation, the Group determined that it has operating segments as follows:

### **Game segment**

The game segment offers game publishing and operating services on its own and via other Distribution Channels. Revenues from the game segment are primarily derived from game publishing and operating services.

### **TapTap platform segment (previously known as "information service segment")**

The TapTap platform segment offers online marketing services to game developers, game publishers or their agents, through the Group's self developed leading game community and platform. Revenues from TapTap platform segment are primarily derived from performance-based online marketing services.

The CODM assesses the performance of the operating segments mainly based on segment revenues and cost of revenues of each operating segment. Thus, segment result would present revenues, cost of revenues and gross profit for each segment, which is in line with CODM's performance review.

The Group's cost of revenues for the game segment primarily consists of (a) commission paid to Payment Channels and Distribution Channels; (b) sharing of proceeds to game developers; (c) bandwidth and server custody fees; (d) amortization of intangible assets; and (e) employee benefit expenses.

The Group's cost of revenues for the TapTap platform segment primarily consists of (a) bandwidth and server custody fees; (b) employee benefits expenses; and (c) amortization of intangible assets.

There were no separate segment assets and segment liabilities information provided to the CODM, as CODM does not use this information to allocate resources to or evaluate the performance of the operating segments.

As at 30 June 2025, substantially all of the non-current assets of the Group were located in the PRC.

The reconciliation of gross profit to profit before income tax is shown in the condensed consolidated statement of comprehensive income.

## 6 SEGMENT INFORMATION AND REVENUE (Continued)

The segment information provided to the Group's CODM for the reportable segments is as follows:

(Unaudited)	Six months ended 30 June 2025		
	Game segment	TapTap platform segment	Total
	RMB'000	RMB'000	RMB'000
Game operating revenues			
— Online Games (free-to-play)	1,982,085	—	1,982,085
— Premium Games (pay-to-play)	63,028	—	63,028
<b>Subtotal</b>	<b>2,045,113</b>	<b>—</b>	<b>2,045,113</b>
Online marketing service revenue	—	976,083	976,083
Others	26,147	34,643	60,790
<b>Total revenues</b>	<b>2,071,260</b>	<b>1,010,726</b>	<b>3,081,986</b>
Cost of revenues	(663,812)	(165,416)	(829,228)
<b>Gross profit</b>	<b>1,407,448</b>	<b>845,310</b>	<b>2,252,758</b>
<b>Gross margin</b>	<b>68%</b>	<b>84%</b>	<b>73%</b>



## 6 SEGMENT INFORMATION AND REVENUE (Continued)

(Unaudited)	Six months ended 30 June 2024		
	Game segment	TapTap platform segment	Total
	RMB'000	RMB'000	RMB'000
Game operating revenues			
— Online Games (free-to-play)	1,425,896	—	1,425,896
— Premium Games (pay-to-play)	55,178	—	55,178
<b>Subtotal</b>	1,481,074	—	1,481,074
Online marketing service revenue	—	706,968	706,968
Others	5,183	27,342	32,525
<b>Total revenues</b>	1,486,257	734,310	2,220,567
Cost of revenues	(595,409)	(128,347)	(723,756)
<b>Gross profit</b>	890,848	605,963	1,496,811
<b>Gross margin</b>	60%	83%	67%

Revenues of approximately RMB982 million and RMB712 million for the six months ended 30 June 2025 and 2024, respectively, were from five largest single external customers.

Revenue from one customer in TapTap platform segment accounts for 21% and 15% of the Group's total revenue during the six months ended 30 June 2025 and 2024, respectively.

## 6 SEGMENT INFORMATION AND REVENUE (Continued)

The table below sets forth a breakdown of the Group's revenue by timing of recognition for the six months ended 30 June 2025 and 2024, respectively:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Service transferred at a point of time	1,675,669	1,224,261
Service transferred overtime	1,406,317	996,306
	3,081,986	2,220,567

The table below sets forth a breakdown of the Group's game operating revenue by geographical areas for the six months ended 30 June 2025 and 2024, respectively:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Mainland China	1,029,406	862,829
Other areas (Note a)	1,015,707	618,245
Total	2,045,113	1,481,074

- (a) Revenue from other areas mainly includes revenue from local versions operated in Hong Kong, Macao, Taiwan province of China, Southeast Asia, North America and South Korea.

## 7 EXPENSES BY NATURE

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Employee benefits expenses	698,000	537,378
Promotion and advertising expenses	610,717	633,437
Commissions charged by payment channels and distribution channels	331,772	303,830
Sharing of proceeds to game developers and content owner	157,168	184,852
Bandwidth and server custody fee	140,201	120,092
Professional and technical service fee	118,757	78,970
Share-based compensation expenses (Note 29)	42,259	28,232
VAT input transfer out and tax surcharges	35,329	12,319
Office expenses	22,712	18,439
Impairment of non-financial assets	20,471	1,458
Depreciation of right-of-use assets (Note 14)	18,314	19,894
Amortization of intangible assets (Note 13)	18,053	13,847
Depreciation of property, plant and equipment (Note 13)	7,784	12,731
Rental expenses and utilities	6,973	6,128
Net impairment losses/(reversal) on financial assets	3,476	(873)
Auditor's remuneration		
— Audit service	1,760	2,070
— Non-audit service	435	195
Others	17,234	3,018
<b>Total</b>	<b>2,251,415</b>	<b>1,976,017</b>

## 8 OTHER INCOME

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Government subsidies	16,858	5,440
Interest income from short-term investments measured at amortized cost	329	—
<b>Total</b>	<b>17,187</b>	<b>5,440</b>

There are no unfilled conditions or contingencies related to the above government subsidies.

## 9 OTHER GAINS, NET

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Foreign exchange gains, net	9,854	11,830
Fair value changes of wealth management products issued by commercial banks	1,104	1,861
Net gain on repurchase of convertible bonds	—	4,975
Others	2,645	1,857
<b>Total</b>	<b>13,603</b>	<b>20,523</b>

## 10 FINANCE INCOME, NET

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>Finance income</b>		
Interest income from bank deposits	22,661	18,381
<b>Finance costs</b>		
Interest expenses on lease liabilities	(3,728)	(4,283)
Bank charges	(544)	(908)
Interest expenses on convertible bond	—	(8,701)
Interest expenses on borrowings	—	(1,715)
<b>Finance income, net</b>	<b>18,389</b>	<b>2,774</b>

## 11 INCOME TAX EXPENSES

Income tax expense is recognised based on the management's best knowledge of the effective income tax rates expected for the full financial year.

### Cayman Islands

Under the current laws of the Cayman Islands, the Company and its subsidiaries incorporated in the Cayman Islands are not subject to tax on income or capital gain. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

### British Virgin Islands

Under the current laws of the British Virgin Islands, entities incorporated in British Virgin Islands are not subject to tax on their income or capital gains.

### Hong Kong

Hong Kong profits tax rate is 16.5%.

### Singapore

Singapore profits tax rate is 17%.

## 11 INCOME TAX EXPENSES (Continued)

### PRC corporate income tax ("CIT")

CIT provision was made on the estimated assessable profits of entities within the Group incorporated in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC CIT rate is 25% during the six months ended 30 June 2025 and 2024.

Certain subsidiaries of the Group in the PRC, are qualified as "high and new technology enterprise" and entitled to a preferential income tax rate of 15% during the six months ended 30 June 2025 and 2024.

Certain subsidiary is accredited as a "software enterprise" under the relevant PRC laws and regulations. They are exempt from CIT for two years, followed by a 50% reduction in the applicable tax rates for the next three years, commencing from the first year of profitable operation after offsetting tax losses generating from prior years (the "**tax holiday**").

According to the relevant laws and regulations promulgated by the State Tax Bureau of the PRC that was effective from 2018 onwards, enterprises engaged in research and development activities are entitled to claim 175% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year ("**Super Deduction**"). According to the relevant laws and regulations that was effective from 2022, the tax deductible ratio was increased to 200%. The Group has made its best estimate for the Super Deduction to be claimed for the Group's entities in ascertaining their assessable profits during six months ended 30 June 2025 and 2024.

### PRC Withholding Tax ("WHT")

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% WHT. The withholding tax rate may be lowered to a minimum of 5% if there is a tax arrangement between China and the jurisdiction of the foreign investors.

Since the Group intends to permanently reinvest earnings to further expand its businesses in PRC, it does not intend to declare dividends to its immediate foreign holding entities in the foreseeable future. Accordingly, no deferred income tax liability on WHT was accrued at the end of each reporting period. Cumulative undistributed earnings of the Company's PRC subsidiaries intended to be permanently reinvested were RMB724 million as of 30 June 2025.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current income tax	67,755	3,854
Deferred income tax (Note 15)	2,337	27,600
<b>Total income tax expenses</b>	<b>70,092</b>	31,454

## 12 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue during the respective periods.

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to equity holders of the Company (RMB'000)	754,856	205,102
Weighted average number of shares in issue (thousands)	481,286	472,092
<b>Basic earnings per share (in RMB)</b>	<b>1.57</b>	0.43

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares. For the six months ended 30 June 2025, the Group had potential dilutive ordinary shares arising from share options and restricted share units (for the six months ended 30 June 2024: convertible bonds, share options and restricted share units).

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to equity holders of the Company (RMB'000)	754,856	205,102
Weighted average number of shares in issue (thousands)	481,286	472,092
Adjustments for share options and RSU (thousands)	9,819	2,235
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share (thousands)	491,105	474,327
<b>Diluted earnings per share (in RMB)</b>	<b>1.54</b>	0.43

### 13 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Property, plant and equipment RMB'000	Intangible assets (including goodwill) RMB'000
(Unaudited)		
<b>Six months ended 30 June 2024</b>		
Opening net book amount	43,693	233,416
Additions	1,263	21,860
Depreciation	(12,731)	(13,847)
Disposal	(636)	—
Currency translation impact	(6)	(66)
Closing net book amount	31,583	241,363
(Unaudited)		
<b>Six months ended 30 June 2025</b>		
Opening net book amount	<b>24,987</b>	<b>228,113</b>
Additions	<b>3,699</b>	<b>10,143</b>
Depreciation	<b>(7,784)</b>	<b>(18,053)</b>
Disposal	<b>(3)</b>	<b>—</b>
Impairment	<b>—</b>	<b>(18,165)</b>
Currency translation impact	<b>4</b>	<b>84</b>
Closing net book amount	<b>20,903</b>	<b>202,122</b>

During the six months ended 30 June 2025, the Group made impairment provision for and write-off certain Game license of RMB18.17 million due to underperformance of related games (the six months ended 30 June 2024: nil).

#### Impairment of goodwill

There is no indicator for impairment of goodwill as of 30 June 2025. For details of goodwill impairment assessment for the year ended 31 December 2024, please refer to the 2024 Financial Statements.



## 14 RIGHT-OF-USE ASSETS

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
<b>Properties</b>		
Opening net book amount	143,793	192,680
Additions	—	6,019
Reduction in lease payments	(9,769)	(7,587)
Depreciation (Note 7)	(18,314)	(19,894)
Currency translation differences	211	(20)
Closing net book amount	115,921	171,198

The condensed consolidated statement of comprehensive income and the condensed consolidated statement of cash flows contain the following amounts relating to leases:

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Depreciation charge of right-of-use assets (Note 7)	18,314	19,894
Interest expenses (Note 10)	3,728	4,283
Expenses relating to short-term leases	1,326	1,044
The cash outflow for leases payment related to short-term lease as operating activities	1,326	1,044
The cash outflow for leases as financing activities	19,721	20,114

## 15 DEFERRED INCOME TAXES

The following amounts, determined after appropriate offsetting, are shown in the consolidated statement of financial position:

### Deferred tax assets

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
The balance comprises temporary differences attributable to:		
— Tax losses	—	5,430
— Contract liabilities	12,117	21,786
— Lease liabilities	23,102	28,163
— Long term investments accounted for using the equity method or measured at fair value through profit or loss	5,864	5,864
— Expected credit loss provision	1,125	358
— Intangible assets	—	7
— Short term investments measured at fair value through profit or loss	216	—
<b>Total gross deferred tax assets</b>	<b>42,424</b>	61,608
Set-off of deferred tax liabilities pursuant to set-off provisions	(14,234)	(28,813)
<b>Net deferred tax assets</b>	<b>28,190</b>	32,795
— to be recovered within 12 months	19,069	34,963
— to be recovered after 12 months	23,355	26,645
	<b>42,424</b>	61,608

## 15 DEFERRED INCOME TAXES (Continued)

### Deferred tax liabilities

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
The balance comprises temporary differences attributable to:		
— Right-of-use assets	21,852	26,912
— Intangible assets arising from business combinations	3,873	4,200
— Long term investments accounted for using the equity method or measured at fair value through profit or loss	—	10,210
— Short term investments measured at fair value through profit or loss	—	1,246
<b>Total gross deferred tax liabilities</b>	<b>25,725</b>	42,568
Set-off of deferred tax assets pursuant to set-off provisions	(14,234)	(28,813)
<b>Net deferred tax liabilities</b>	<b>11,491</b>	13,755
— to be settled within 12 months	9,340	9,856
— to be settled after 12 months	16,385	32,712
	<b>25,725</b>	42,568

## 15 DEFERRED INCOME TAXES (Continued)

### Deferred tax assets

The movement on the gross deferred income tax assets is as follows:

			Promotional and Contract	advertising expenses	Lease liabilities	Long term investments accounted for using the equity method or measured at fair value through profit or loss	Expected credit loss provision	Short term investments measured at fair value through profit or loss	Total
(Unaudited)	Tax losses RMB'000	liabilities RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>At 1 January 2024</b>	22,002	24,731	14,482	37,684	4,860	930	11	—	104,700
Recognized in profit or loss	(18,095)	928	(14,482)	(3,765)	—	(171)	(4)	—	(35,589)
Currency translation differences	—	—	—	(3)	—	—	—	—	(3)
<b>At 30 June 2024</b>	3,907	25,659	—	33,916	4,860	759	7	—	69,108
(Unaudited)									
<b>At 1 January 2025</b>	5,430	21,786	—	28,163	5,864	358	7	—	61,608
Recognized in profit or loss	(5,282)	(9,669)	—	(5,096)	—	621	(7)	216	(19,217)
Currency translation differences	(148)	—	—	35	—	146	—	—	33
<b>At 30 June 2025</b>	—	12,117	—	23,102	5,864	1,125	—	216	42,424

## 15 DEFERRED INCOME TAXES (Continued)

### Deferred tax liabilities

The movement on the gross deferred income tax liabilities is as follows:

	Right-of-use assets	Intangible assets arising from business combinations	Long term investments accounted for using the equity method or measured at fair value through profit or loss	Short term investments measured at fair value through profit or loss	Total
(Unaudited)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>At 1 January 2024</b>	36,581	5,389	11,896	1,914	55,780
Recognized in profit or loss	(4,099)	(594)	(1,382)	(1,914)	(7,989)
Currency translation differences	(3)	(1)	—	—	(4)
<b>At 30 June 2024</b>	32,479	4,794	10,514	—	47,787
(Unaudited)					
<b>At 1 January 2025</b>	26,912	4,200	10,210	1,246	42,568
Recognized in profit or loss	(5,096)	(327)	(10,211)	(1,246)	(16,880)
Currency translation differences	36	—	1	—	37
<b>At 30 June 2025</b>	21,852	3,873	—	—	25,725

The Group only recognizes deferred income tax assets for cumulative tax losses if it is probable that future taxable amounts will be available to utilize those tax losses. Management will continue to assess the recognition of deferred income tax assets in future reporting periods. As at 30 June 2025 and 31 December 2024, the Group did not recognize deferred income tax assets of RMB669 million and RMB694 million, in respect of cumulative tax losses amounting to RMB3,960 million and RMB4,104 million. These tax losses will expire from 2025 to 2035.

## 16 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>At the beginning of the period</b>	<b>111,039</b>	122,561
Share of results of associates	<b>938</b>	8,746
Dividends	<b>(18,000)</b>	(18,000)
Disposal	<b>(1,308)</b>	—
Currency translation differences	<b>(3)</b>	8
<b>At the end of the period</b>	<b>92,666</b>	113,315

In the opinion of the directors, none of the associates is material to the Group. Aggregated amount of the Group's share of results of individually immaterial associates accounted for using the equity method is as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Aggregate amounts of the Group's share of:		
— Profit from operations	<b>938</b>	8,746

## 17 LONG TERM INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

Movements in long term investments measured at fair value through profit or loss during the six months ended 30 June 2025 and 2024, are as follows:

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>At the beginning of the period</b>	<b>10,879</b>	18,840
Currency translation differences	(1)	1
<b>At the end of the period</b>	<b>10,878</b>	18,841

As at 30 June 2025 and 31 December 2024, all long term investments measured at fair value through profit or loss are equity investments in unlisted companies held by the Group. The Group has determined the fair value of these financial assets based on certain valuation techniques as disclosed in Note 4.3.

Long term investments measured at fair value through profit or loss included:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Investments in associates at fair value through profit or loss (Note a)	<b>10,170</b>	10,170
Other investments at fair value through profit or loss (Note b)	<b>708</b>	709
	<b>10,878</b>	10,879

## 17 LONG TERM INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

- (a) During the six months ended 30 June 2025 and 2024, the Group made investments in associates in the form of redeemable instruments and designated them at fair value through profit or loss. The Group has significant influence in these companies.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>At the beginning of the period</b>	<b>10,170</b>	18,133
Change in fair value	—	—
<b>At the end of the period</b>	<b>10,170</b>	18,133

- (b) The Group also has interests in certain investee companies in form of ordinary shares without significant influence, which are managed and their performance are evaluated on a fair value basis. The Company designated these instruments as long term investments measured at fair value through profit or loss.

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
<b>At the beginning of the period</b>	<b>709</b>	707
Currency translation differences	(1)	1
<b>At the end of the period</b>	<b>708</b>	708

As at 30 June 2025 and 31 December 2024, the balance of the Group's long term investments measured at fair value through profit or loss comprised a number of individual investments, none of the investment is material to the Group.



## 18 PREPAYMENTS, DEPOSITS AND OTHER ASSETS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
<b>Non-current</b>		
Prepayments for game licenses (Note a)	20,158	13,003
Rental and other deposits	9,336	11,913
	<b>29,494</b>	24,916
<b>Current</b>		
Receivables upon share-based compensation vesting or exercise	25,707	4,901
Game merchandise	15,466	18,627
Prepayments for game proceeds (Note b)	11,211	13,403
Rental and other deposits	10,841	13,086
Prepayments to other service providers	11,709	17,333
Prepayments for advertisements and marketing services	2,502	18,854
Tax prepayments	2,279	8,380
Others	5,445	8,877
Less: allowance for impairment	(609)	(352)
	<b>84,551</b>	103,109

- (a) The Group licenses online games from game developers and pays game license fees to game developers. The prepayments for game license fees are transferred to intangible assets when the Group receives related licensed games.
- (b) The Group operates TapTap platform whereby game players can download games published by game developers. The Group provides payment solution to game developers for their games published on TapTap platform operated under a “pay to play” model. In order to attract game developers to TapTap platform, the Group makes prepayments to game developers and the prepayments will be offset against proceeds received from game players for downloading games.

The Group regularly assesses the possibility whether relevant games could be successfully published and estimates the future return from these games to assess impairment indicator of those prepayments. During the six months ended 30 June 2025 and 2024, the Group made impairment provision for and write-off certain prepayments to game developers of RMB0.89 million and RMB1.46 million, respectively, due to underperformance of related games.

## 19 TRADE RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Distribution Channels and game publishers	503,173	214,598
Online marketing service customers	245,257	120,283
Others	—	21
	748,430	334,902
Less: allowance for impairment	(4,873)	(1,489)
	743,557	333,413

- (a) Distribution channels and game publishers and online marketing service customers usually settle the amounts within 30–120 days. Related parties are granted with a credit period of 90 days. Aging analysis of trade receivables based on the recognition date of the gross trade receivables at the respective reporting dates are as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 3 months	653,321	291,499
3 months to 6 months	90,531	41,300
6 months to 1 year	3,819	1,992
1 to 2 years	759	106
Over 2 years	—	5
	748,430	334,902

## 19 TRADE RECEIVABLES (Continued)

- (b) The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. The Group overall considers the shared credit risk characteristics and the days past due of each type of the trade receivables to measure the expected credit losses. The expected loss rates are based on the payment profiles of sales over a period of 36 months before 30 June 2025 and 31 December 2024 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the CPI and GDP of the countries in which it operates to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Movements on the Group's allowance for impairment of trade receivables are as follows:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>At the beginning of the period</b>	<b>1,489</b>	4,322
Provision/(Reversal)	<b>3,220</b>	(779)
Write-off	—	(40)
Currency translation differences	<b>164</b>	1
<b>At the end of the period</b>	<b>4,873</b>	3,504

The reversal of provisions for impaired receivables have been included in "Net impairment (losses)/reversal on financial assets" in the consolidated statement of comprehensive income.

- (c) The directors of the Group considered that the carrying amounts of the trade receivables balances approximated their fair value as at 30 June 2025 and 31 December 2024.

## 19 TRADE RECEIVABLES (Continued)

(d) The carrying amount of the Group's trade receivables is denominated in the following currencies:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
United States Dollar ("USD")	457,106	160,039
RMB	265,487	136,787
Hong Kong Dollar ("HKD")	5,834	23,821
Others	20,003	14,255
	748,430	334,902

(e) The maximum exposure to credit risk as at 30 June 2025 and 31 December 2024 was the carrying value of the trade receivables. The Group did not hold any collateral as security.

## 20 SHORT-TERM INVESTMENTS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Wealth management products issued by commercial banks (Note a)	210,848	78,984
Term deposits above three months and within one year	—	50,000
	210,848	128,984

## 20 SHORT-TERM INVESTMENTS (Continued)

- (a) Returns on these wealth management products are not guaranteed, hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, they are measured at fair value through profit or loss. The fair values are based on discounted cash flow using the expected return based on management judgment (Note 4.3). Changes in fair value of these financial assets had been recognized in "Other gains, net" in the consolidated statement of comprehensive income.

The carrying amount of the Group's short-term investments is denominated in the following currencies:

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	As at 31 December 2024 RMB'000 (Audited)
RMB	<b>210,848</b>	128,984

## 21 CASH AND CASH EQUIVALENTS

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	As at 31 December 2024 RMB'000 (Audited)
Cash on hand and cash in bank	<b>1,488,474</b>	1,878,739
Term deposits with initial terms within three months (Note a)	<b>1,427,490</b>	845,766
Cash held by other financial institutions (Note b)	<b>55,664</b>	56,668
	<b>2,971,628</b>	2,781,173

- (a) The interest rates of these deposits per annum were 0.85%–4.7%.

- (b) As at 30 June 2025 and 31 December 2024, the Group had certain amounts of cash held in accounts managed by other financial institutions, such as Alipay and WeChat Pay in connection with the provision of online and mobile payment services which have been classified as cash and cash equivalents on the consolidated statement of financial position.

## 21 CASH AND CASH EQUIVALENTS (Continued)

Cash and cash equivalents are denominated in the following currencies:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
RMB	1,705,532	1,664,404
USD	1,102,474	954,318
HKD	129,606	49,977
Others	34,016	112,474
	2,971,628	2,781,173

## 22 SHARE CAPITAL, SHARE PREMIUM AND SHARES HELD FOR SHARE AWARD SCHEMES

(Unaudited)	Number of shares '000	Nominal value of shares USD'000	Equivalent nominal value of shares RMB'000	Share premium RMB'000	Shares held for share award schemes RMB'000
<b>Authorized</b>					
As at 30 June 2025 and 31 December 2024	1,000,000	100	—	—	—
<b>Issued and fully paid</b>					
As at 1 January 2024	480,453	48	329	7,036,290	(6)
Exercise of share options	186	—*	—*	2,648	—
<b>As at 30 June 2024</b>	480,639	48	329	7,038,938	(6)
<b>As at 1 January 2025</b>	491,049	48	336	7,217,458	(48,561)
Exercise of share options	1,988	—*	2	50,643	—
Vesting of awarded restricted share units	—	—	—	10,431	—
Repurchase of shares	—	—	—	—	(59,098)
<b>As at 30 June 2025</b>	493,037	48	338	7,278,532	(107,659)

\* The amount is less than 1,000

## 22 SHARE CAPITAL, SHARE PREMIUM AND SHARES HELD FOR SHARE AWARD SCHEME (Continued)

- (a) On 17 June 2019, the Company allotted and issued an aggregate of 8,437,540 shares to Heart Assets Limited, which hold shares on trust for and on behalf of the Company. As at 30 June 2025, 1,488,796 shares have been granted by the Group for share-based compensation to employees.
- (b) During the six months ended 30 June 2025, the Trustee bought back a total of 2,243,000 ordinary shares that listed on the Stock Exchange with a total amount of RMB59.1 million, and such shares are accounted and recorded as "Shares held for share award schemes".

## 23 OTHER RESERVES

	Capital reserve	Statutory reserves	Currency translation differences	Share-based compensation expenses	Total
(Unaudited)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>As at 1 January 2024</b>	(4,640,551)	73,056	(76,902)	153,480	(4,490,917)
Share-based compensation expenses (Note 29)	—	—	—	28,232	28,232
Repurchase of convertible bond	(20,869)	—	—	—	(20,869)
Redemption of convertible bond	(55,513)	—	—	—	(55,513)
Exercise of share options	—	—	—	(868)	(868)
Appropriation to statutory reserves	—	21,063	—	—	21,063
Transaction with non-controlling interests (i)	(195,531)	—	—	—	(195,531)
Currency translation differences	—	—	(5,744)	—	(5,744)
<b>As at 30 June 2024</b>	(4,912,464)	94,119	(82,646)	180,844	(4,720,147)

## 23 OTHER RESERVES (Continued)

(Unaudited)	Capital reserve RMB'000	Statutory reserves RMB'000	Currency translation differences RMB'000	Share-based compensation expenses RMB'000	Total RMB'000
<b>As at 1 January 2025</b>	<b>(4,938,559)</b>	<b>80,153</b>	<b>(47,843)</b>	<b>207,233</b>	<b>(4,699,016)</b>
Share-based compensation expenses (Note 29)	—	—	—	42,259	42,259
Exercise of share options	—	—	—	(14,550)	(14,550)
Appropriation to statutory reserves	—	27	—	—	27
Transaction with non-controlling interests (i)	(98,573)	—	—	—	(98,573)
Vesting of awarded restricted share units	—	—	—	(10,431)	(10,431)
Currency translation differences	—	—	(17,830)	—	(17,830)
<b>As at 30 June 2025</b>	<b>(5,037,132)</b>	<b>80,180</b>	<b>(65,673)</b>	<b>224,511</b>	<b>(4,798,114)</b>

- (i) In April 2025, the Group purchased certain non-controlling interests from non-controlling shareholders (“**NCI holders**”) with cash considerations. The Company derecognized the non-controlling interests held by NCI holders of RMB37 million accordingly with a corresponding adjustment of RMB99 million to other reserves.



## 24 LEASE LIABILITIES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Minimum lease payments due		
— Within 1 year	40,237	44,626
— Between 1 and 2 years	41,934	48,277
— Between 2 and 5 years	62,934	81,912
	145,105	174,815
Less: future finance charges	(11,695)	(15,643)
Present value of lease liabilities	133,410	159,172

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Minimum lease payments due		
— Within 1 year	39,200	43,753
— Between 1 and 2 years	38,892	44,616
— Between 2 and 5 years	55,318	70,803
	133,410	159,172

## 25 TRADE PAYABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade payables	229,516	186,340

Trade payables are primarily related to the purchase of services for server custody, advertisement and sharing of proceeds due to game developers. The credit terms of trade payables granted to the Group are usually 0 to 90 days.

Aging analysis of trade payables based on the recognition date of the trade payables at the respective reporting dates are as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Within 3 months	223,484	170,902
Over 3 months	6,032	15,438
	229,516	186,340

## 25 TRADE PAYABLES (Continued)

The carrying amount of the Group's trade payables is denominated in the following currencies:

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	As at 31 December 2024 RMB'000 (Audited)
RMB	<b>187,965</b>	99,397
USD	<b>22,051</b>	67,871
SGD	<b>19,500</b>	19,072
	<b>229,516</b>	186,340

As at 30 June 2025 and 31 December 2024, the fair value of trade payables approximated to their carrying amount.

## 26 OTHER PAYABLES AND ACCRUALS

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	As at 31 December 2024 RMB'000 (Audited)
Salaries and benefits payables	<b>360,066</b>	322,983
Other tax payables	<b>48,660</b>	38,001
Dividend payables	<b>3,547</b>	—
Others	<b>27,162</b>	21,517
	<b>439,435</b>	382,501

As at 30 June 2025 and 31 December 2024, other payables and accruals were denominated in RMB and the fair values of these balances approximated to their carrying amounts.

## 27 CONTRACT LIABILITIES

Contract liabilities primarily consists of the unamortised revenue from sales of virtual items for mobile games, where there is still obligation to be provided by the Group to game players.

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	<b>As at 31 December 2024 RMB'000 (Audited)</b>
Contract liabilities	<b>288,506</b>	321,872

The following table shows the amount of revenue recognized in the consolidated statement of comprehensive income for the respective periods relating to contract liabilities brought forward:

	<b>Six months ended 30 June 2025 RMB'000 (Unaudited)</b>	<b>2024 RMB'000 (Unaudited)</b>
Revenue recognized that was included in the contract liabilities balance at the beginning of the period	<b>321,572</b>	179,839

## 28 DIVIDENDS

The final dividend of HKD40.0 cents per share for the year ended December 31, 2024, amounted HKD196,670,095 (equivalent to approximately RMB181,616,848) in total was approved in the shareholders' meetings of the Company held on May 29, 2025 and paid on June 30, 2025.

The Directors did not recommend the payment of an interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: Nil).

## 29 SHARE-BASED COMPENSATION EXPENSES

### (a) Share Option Scheme

As of 30 June 2025, the Group has authorized and reserved a total of 48,043,070 ordinary shares under the Share Option Scheme for awards of options of the Company's ordinary shares.

There is typically no performance target or minimum period for which an option must be held before it can be exercised, except for certain options which have graded vesting terms and vest in tranches from the grant date over the vesting period, on condition that employee remain in service without performance requirements. The option must be exercised no more than 10 years from the grant date.

Movements in the number of share options granted and their related weighted average exercise prices are as follows:

(Unaudited)	Number of share options	Weighted average exercise price per share option (HKD)
<b>Outstanding as of 1 January 2024</b>	14,173,615	30.01
Granted during the period	7,115,859	13.05
Exercised during the period	(185,986)	10.40
Forfeited during the period*	(3,657,935)	37.01
<b>Outstanding as of 30 June 2024</b>	17,445,553	21.83
<b>Vested and exercisable as of 30 June 2024</b>	17,445,553	21.83
(Unaudited)		
<b>Outstanding as of 1 January 2025</b>	<b>17,140,435</b>	<b>22.19</b>
Granted during the period	<b>410,762</b>	<b>26.03</b>
Exercised during the period	<b>(1,988,238)</b>	<b>17.24</b>
<b>Outstanding as of 30 June 2025</b>	<b>15,562,959</b>	<b>22.92</b>
<b>Vested and exercisable as of 30 June 2025</b>	<b>15,562,959</b>	<b>22.92</b>

\* During the year ended 31 December 2024, certain employees forfeited unvested options upon resignation.

## 29 SHARE-BASED COMPENSATION EXPENSES (Continued)

### (a) Share Option Scheme (Continued)

The weighted average remaining contractual life of outstanding share options is 7.9 years as of 30 June 2025 (31 December 2024: 8.37 years).

The Group has used Binomial model to determine the fair value of the share option as of the grant date. Key assumptions are set as below:

	Six months ended 30 June	
	2025	2024
Risk-free interest rates	2.69%–3.56%	3.06%–3.62%
Expected term — years	2.2–2.8	2.2–2.8
Expected volatility	50.02%–50.11%	50.29%–50.56%
Fair value of share options	11.73–15.30	4.63–8.00
Exercise price	23.27–30.73	9.31–14.39

The weighted average fair value of options granted during the six months ended 30 June 2025 and 2024 was HKD13.20 and HKD6.64 per share option, respectively.

### (b) Restricted Share Unit Scheme

On 3 June 2019 (the “**2019 adoption date**”), the Company adopted the 2019 Restricted Share Unit (RSU) Scheme (the “**2019 RSU scheme**”) to attract and retain the services of elite employees or persons who contributed to the Group. Pursuant to the 2019 RSU scheme, the Company allotted and issued an aggregate of 8,437,540 shares to Heart Assets Limited, which hold shares on trust for and on behalf of the grantees or the Company. The RSU Scheme is valid and effective for 10 years from the 2019 adoption date.

Pursuant to the board of directors resolution passed on 7 May 2024 (the “**2024 adoption date**”), the Company adopted the 2024 Restricted Share Unit Scheme (the “**2024 RSU Scheme**”). The 2024 RSU Scheme is valid and effective for 10 years from the 2024 adoption date. The maximum number of awards which was authorized to grant under the 2024 RSU Scheme shall not exceed 14,417,517 shares.

The RSUs awarded vest in tranches from the vesting commencement date over the designated service period, subject to the terms applicable to each grant. Once the vesting conditions of the RSUs are met, the RSUs are considered duly and validly issued to the holder, and free of restrictions on transfer.

## 29 SHARE-BASED COMPENSATION EXPENSES (Continued)

### (b) Restricted Share Unit Scheme (Continued)

During the six months ended 30 June 2025, 1,488,796 RSU was granted to eligible grantees. Movements in the number of RSUs and their related weighted average grant date fair value are as follows:

(Unaudited)	2019 RSU Scheme		2024 RSU Scheme		Total number of RSUs
	Number of RSUs	Weighted average grant date fair value (HKD)	Number of RSUs	Weighted average grant date fair value (HKD)	
<b>Outstanding as of 1 January 2025</b>	2,498,020	12.68	10,080,000	22.05	12,578,020
Granted during the period	1,488,796	31.88	—	—	1,488,796
Vested and transferred during the period	(1,118,531)	10.56	—	—	(1,118,531)
Lapsed during the period	(139,688)	32.05	—	—	(139,688)
<b>Outstanding as of 30 June 2025</b>	2,728,597	23.03	10,080,000	22.05	12,808,597

The fair value of each RSU at the grant dates is determined by reference to the fair value of the underlying ordinary shares on the date of grant.

### (c) Expenses arising from share-based payment transactions

The share-based compensation expenses have been charged/(credited) to the consolidated statements of comprehensive income for the six months ended 30 June 2025 and 2024 as follows:

(Unaudited)	Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Cost of revenues	546	193
Selling and marketing expenses	12,402	450
Research and development expenses	5,024	(8,266)
General and administrative expenses	24,287	35,855
	<b>42,259</b>	28,232

## 30 COMMITMENTS

### (a) Capital commitments

The Group made capital expenditure in respect of purchase of game licenses which are in development as at 30 June 2025 and 31 December 2024. The Group has commitments to make the following future instalments under non-cancellable game purchase agreements are as follows:

	<b>As at 30 June 2025 RMB'000 (Unaudited)</b>	<b>As at 31 December 2024 RMB'000 (Audited)</b>
Game licenses	6,443	500

### (b) Operating lease commitments

The Group has non-cancellable operating lease agreements with initial terms of 12 months or less. The portfolio of short-term leases to which the Group was committed as at 30 June 2025 and 31 December 2024 is similar to the portfolio of short-term leases to which the short-term lease expense is disclosed in Note 14.

## 31 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subjected to common control. Members of key management and their close family members of the Group are also considered as related parties.

The following significant transactions were carried out between the Group and its related parties during the periods presented. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

### (a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the six months ended 30 June 2025 and 2024.



## 31 RELATED PARTY TRANSACTIONS (Continued)

### (a) Names and relationships with related parties (Continued)

Name of related parties	Relationship
Shanghai Bianyue Culture Communication Co., Ltd.	Associate
Shanghai Chatie Network Science and Technology Co., Ltd.	Associate
Shanghai Fantablade Network Science and Technology Co., Ltd.	Associate
Gamecores (Beijing) Culture Communication Co., Ltd.	Associate
Shanghai Kena Information Technology Co., Ltd.	Associate
Shenzhen Emi Network Technology Development Co., Ltd.	Associate
Shanghai Jixin Network Science and Technology Co., Ltd.	Associate
Xiamen So Funny Information Technology Co., Ltd.	Associate
Yimei (Shenzhen) Network Technology Development Co., Ltd.	Associate
Jiexin Holdings Limited	Shareholder
Happy Today Holding Limited	Shareholder

### (b) Significant transactions with related parties

#### (i) Sales of service

	Six months ended 30 June	
	2025	2024
	RMB'000 (Unaudited)	RMB'000 (Unaudited)
Gamecores (Beijing) Culture Communication Co., Ltd.	67	49
Yimei (Shenzhen) Network Technology Development Co., Ltd.	28	5
Xiamen So Funny Information Technology Co., Ltd.	3	—
	98	54

## 31 RELATED PARTY TRANSACTIONS (Continued)

### (b) Significant transactions with related parties (Continued)

#### (ii) Purchase of service

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Xiamen So Funny Information Technology Co., Ltd.	66,029	110,035
Shanghai Chatie Network Science and Technology Co., Ltd.	1,097	1,435
Shanghai Fantablade Network Science and Technology Co., Ltd.	833	864
Gamecores (Beijing) Culture Communication Co., Ltd.	10	36
Shanghai Bianyue Culture Communication Co., Ltd.	—	4,755
Others	420	660
	68,389	117,785

### (c) Period end balances with related parties

#### (i) Prepayments to related parties

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Shanghai Kena Information Technology Co., Ltd.	1,100	1,179
Shenzhen Emi Network Technology Development Co., Ltd.	438	1,310
	1,538	2,489

## 31 RELATED PARTY TRANSACTIONS (Continued)

### (c) Period end balances with related parties (Continued)

#### (ii) Other receivables from related parties

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Jiexin Holdings Limited	267	268
Happy Today Holding Limited	9	9
	276	277

#### (iii) Trade payables to related parties

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Xiamen So Funny Information Technology Co., Ltd.	4,474	11,194
Shanghai Chatie Network Science and Technology Co., Ltd.	1,531	2,846
Shanghai Fantablade Network Science and Technology Co., Ltd.	308	329
Shanghai Jixin Network Science and Technology Co., Ltd.	294	—
Others	109	46
	6,716	14,415

Receivables from and payables to related parties are unsecured, interest-free and repayable on demand.

## 31 RELATED PARTY TRANSACTIONS (Continued)

### (d) Key management compensation

	Six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Wages, salaries and bonuses	6,990	4,592
Post-employment benefits	107	103
Long-term benefits	—	—
Termination benefits	—	—
Share-based compensation expenses	3,303	2,993
	10,400	7,688

## 32 CONTINGENCIES

The Group did not have any material contingent liabilities as of 30 June 2025 and 31 December 2024.

## 33 SUBSEQUENT EVENTS

There is no material subsequent event occurred during the period from 30 June 2025 to 29 August 2025, the approval date of these consolidated condensed financial statements by the Board of Directors.

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## DEFINITIONS AND GLOSSARY



## DEFINITIONS AND GLOSSARY

Unless the context otherwise requires, the following expressions in this report shall have the following meanings:

"2024 Award(s)"	means an award of restricted share unit(s) granted to a participant pursuant to the 2024 RSU Scheme. An award may include, if so specified by the Board in its absolute discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares from the date that the 2024 Award is granted to the date that it vests;
"2024 RSU Scheme"	the restricted share unit scheme adopted by the Company on May 7, 2024;
"ARPG"	action role playing game;
"associate(s)"	has the meaning ascribed thereto under the Listing Rules;
"Audit Committee"	the audit committee of the Company;
"Auditor"	PricewaterhouseCoopers, the independent auditor of the Company;
"Board"	the board of Directors of the Company;
"CG Code"	the Corporate Governance Code set out in Appendix C1 to the Listing Rules;
"Closing"	closing of the Purchase in accordance with the terms and conditions of the Share Purchase Agreement;
"Company" or "our Company"	XD Inc. (心动有限公司), an exempted company incorporated in the Cayman Islands with limited liability on January 25, 2019, the shares of which are listed on the Stock Exchange under stock code 02400;
"Director(s)"	the director(s) of the Company;
"Founder Parties"	Mr. Wu Meng and HM Infinity Inc.;
"Group", "our Group", "we" or "us"	the Company, its subsidiaries and its PRC Consolidated Affiliated Entities from time to time;
"HK\$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong;

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"IFRS"	International Financial Reporting Standards, which include standards and interpretations as issued from time to time by the International Accounting Standards Board;
"Latest Practicable Date"	September 22, 2025, being the latest practicable date prior to the publication of this report for ascertaining certain information contained herein;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
"Main Board"	the stock market (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange;
"Major Subsidiaries"	MiAO Worlds Limited, MiAO Worlds Pte. Ltd., Two Zero Two Pte. Ltd. and Shanghai MiAO Worlds Technology Limited as referred to in the announcement of the Company dated August 4, 2025;
"MAU(s)"	monthly active user(s), which refers to the number of users who log into a particular game or all of our games, as applicable, in the relevant calendar month for games, and refers to the number of users who access the TapTap mobile app in the relevant calendar month for TapTap, both of which include multiple accounts held by one single user. Average MAUs for a particular period are calculated by dividing the aggregate of the MAUs during that period by the number of months of that period;
"MMORPG"	massively multiplayer online role-playing game;
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules;
"MPU(s)"	monthly paying users, which refers to the number of paying users in the relevant calendar month in our games;
"PRC" or "China"	the People's Republic of China, which for the purposes of this report, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan, China;
"PRC Consolidated Affiliated Entities"	the entities we control through the contractual arrangements, namely X.D. Network and its respective subsidiaries;

"Purchase"	the transactions contemplated under the Share Purchase Agreement;
"Purchaser"	XD (HK) Limited, an indirect wholly-owned subsidiary of the Company;
"Reporting Period"	for the six months ended June 30, 2025;
"RMB"	Renminbi, the lawful currency of the PRC;
"RSU(s)"	restricted share unit(s);
"RSU Holding Entity"	Heart Assets Limited, a company incorporated in the British Virgin Islands holding our Shares pursuant to the RSU Scheme on trust or on behalf of the grantees of our Company;
"RSU Scheme"	the restricted share unit Scheme of our Company adopted on June 3, 2019;
"Series B1 Preferred Share(s)"	the Target Company's Series B1 preferred shares of par value US\$0.0001 each;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"SGD"	Singapore dollars, the lawful currency of Singapore;
"Share(s)"	ordinary shares in the share capital of our Company with a par value of US\$0.0001;
"Share Option Plan"	the share option plan of our Company adopted on June 25, 2021;
"Share Purchase Agreement"	The Series B1 Preferred Share Purchase Agreement entered into among the Company, the Target Company, the Founder Parties; and the Major Subsidiaries on August 4, 2025, pursuant to which the Company conditionally agreed to subscribe and purchase, and the Target Company has conditionally agreed to allot and issue, 7,086,420 Series B1 Preferred Shares of the Target Company;
"Shareholder(s)"	holder(s) of the Share(s);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules;
"Target Company"	MiAO (Cayman) Limited, a company incorporated with limited liability in the Cayman Islands on January 7, 2022;



"USD" or "US\$"	United States dollars, the lawful currency of the United States;
"X.D. Network"	X.D. Network Inc. (心動網絡股份有限公司), a company established in the PRC on July 29, 2011 and our PRC Consolidated Affiliated Entity; and
"%"	per cent.

